



## Legislation Text

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**File #:** 17-1876, **Version:** 2

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### Resolution to Approve the 1540 White Street Brownfield Plan

Attached is a resolution to approve the 1540 White Street Brownfield Plan. Approval of this resolution will allow the brownfield plan to advance to the Washtenaw County Brownfield Redevelopment Authority (WCBRA) and ultimately the Washtenaw County Board of Commissioners for adoption, which will make the site eligible to utilize the County Local Brownfield Revolving Fund (LBRF) to finance demolition and other Eligible Activities, under Act 381.

The 1514 White Street public housing redevelopment is one of two public housing sites being redeveloped by the Ann Arbor Housing Commission (AAHC/Applicant) referred to as the Swift Run RAD conversion development, which includes a Platt Road site, as well as the 1514 White Street site. It is proposed that the existing buildings, utilities, and site features will be demolished, and 32 new housing units will be constructed. The project will serve low-income households and will also provide supportive services to the tenants. The Ann Arbor Housing Commission selected the White Street site for permanent supportive housing units due to its ideal location and easy access to amenities.

The AAHC requested the Ann Arbor City Council make a determination that the property meets the blighted criteria specified under the Brownfield Redevelopment Financing Act (Act 381 of 1996) in order to be eligible for brownfield assistance under the Act. Under the provisions of the Act, a site may be determined to be blighted if it is identified as an attractive nuisance to children because of its physical condition. The largely vacant property's age and deteriorating roof, windows and mechanical systems support such a determination under Act 381.

The LBRF funding will support eligible brownfield costs associated with demolition, public infrastructure and utilities, urban stormwater management, and environmental assessment activities. The initial LBRF grant of \$200,000.00 awarded by the WCBRA will support demolition activities. The AAHC plans to request additional LBRF grant or loan funds of the WCBRA to support additional activities once the balance of the project financing is secured. Therefore, the Brownfield Plan includes all potential Eligible Activities that could be funded by the LBRF. The Plan includes a total of \$1,271,387.00 of possible Eligible Activities.

Tax Increment Financing (TIF) is not part of this Brownfield Plan, and no tax revenues will be utilized to reimburse for Eligible Activities. The Plan will only establish eligibility under Act 381 to allow the use of LBRF to support Eligible Activities. As a result, the AAHC is requesting a waiver of the City Brownfield Application fee of \$3,915.00.

The Brownfield Plan has been submitted and processed in accordance with the City of Ann Arbor Brownfield Program and Washtenaw County Brownfield Redevelopment Authority (WCBRA) procedures:

--The City of Ann Arbor Brownfield Review Committee (BRC) comprised of Council members

Eaton, Warpehoski, and Westphal has reviewed the attached Brownfield Plan. At the November 20, 2017 BRC meeting, the Committee recommended City Council approval of the Brownfield Plan.

--A resolution to determine the property satisfies the criteria for blighted status under the Act was presented to City Council for action at its January 16, 2018 meeting.

--A public hearing on the Brownfield Plan was held on January 16, 2018, to receive public comment on the Plan

If this Resolution is approved, the Brownfield Plan will be presented to the Washtenaw County Brownfield Redevelopment Authority (WCBRA) for consideration, and then Washtenaw County Board of Commissioners will review the Plan, hold a public hearing, and consider for the matter for adoption

Prepared by: Nathan Voght, Washtenaw County Brownfield Redevelopment Staff

Sponsored by Council Brownfield Review Committee (Councilmembers Eaton, Warpehoski and Westphal

Whereas, The Ann Arbor Housing Commission received Local Brownfield Revolving Fund (LBRF) support from the Washtenaw County Brownfield Redevelopment Authority for the 1514 White Street redevelopment, and Act 381 requires LBRF funding to be utilized for Eligible Expenses on Eligible Property:

Whereas, The Washtenaw County Board of Commissioners established the Washtenaw County Brownfield Redevelopment Authority (the "WCBRA") and adopted the Brownfield Redevelopment Plan for Washtenaw County (the "Plan"), which facilitates the implementation of plans relating to the identification, treatment and redevelopment of brownfield sites within the County of Washtenaw, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Authority Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act");

Whereas, The Act requires the explicit consent of each local governmental unit to be included in the Authority Zone, and that the County resolution included a provision that the Proposed Brownfield Redevelopment Zone will include all local governmental units within the County that pass a resolution approving the inclusion of the Brownfield Redevelopment Zone;

Whereas, The Ann Arbor City Council passed Resolution R-24-1-02 to include the City of Ann Arbor in the Washtenaw County Brownfield Redevelopment Authority and developed the Brownfield Implementation Plan to describe the Brownfield process in the City;

Whereas, The Brownfield Implementation Plan allows for public participation and comment;

Whereas, The 1514 White Street property was identified as an Eligible Property with the City Council determination that the property meets the blighted criteria specified under the Act and therefore eligible for LBRF funding through the Washtenaw County Brownfield Redevelopment Authority;

Whereas, On November 20, 2017, the Brownfield Review Committee ("Committee") met to review the proposed Brownfield Plan and its associated agreements, and being fully apprised of the physical condition of the property, intended use of LBRF funds, and proposed redevelopment, recommended approval of the petition to City Council and WCBRA;

Whereas, The Plan would enable the Developer to make use of LBRF funding through the WCBRA;

Whereas, The reimbursement by the WCBRA using LBRF funds is for actual eligible expenses only;

Whereas, The burden is on the Applicant to conduct all eligible activities and submit proof to the WCBRA in order for the reimbursement to occur;

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; and

Whereas, The Brownfield Review Committee recommends the Brownfield Plan for action by City Council;

RESOLVED, That City Council approve the 1514 White Street Brownfield Plan submitted by the Ann Arbor Housing Commission, dated November 16, 2017;

RESOLVED, That City Council approve a waiver of the \$3,915.00 City Brownfield application fee;

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 approval of the Brownfield Plan; and

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