



Legislation Text

File #: 22-0347, **Version:** 1

Resolution to Approve the Sartorius - 3874 Research Park Drive Redevelopment Brownfield Plan (BRC Recommendation: Approval - 2 Yeas and 0 Nays)

The proposed resolution would approve the Sartorius - 3874 Research Park Drive 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 31, 2022, reviewed the Brownfield Plan, and accepted staff recommendations (attached) with the additional following modifications:

- The extension of maximum TIF capture period to 14 years.
- That the petitioner provide a summary of how the project complies with the City's A2Zero Carbon Neutrality goals

The attached Brownfield Plan dated March 15, 2022, 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 PCBs at levels greater than State-established criteria. The site was previously utilized by the Federal Mogul Corporation, from 1966 to 2005, approximately.
- The Brownfield Plan would reimburse the developer for environmental-related activities totaling \$145,125 including: Environmental Due Diligence, Site Control and testing; excavation, transportation, and disposal of impacted soil; and related Brownfield Plan and Work Plan preparation.
- The Brownfield Plan would reimburse the development for \$1,513,586 of non-environmental activities, including: Demolition; infrastructure improvements, site preparation activities, and related Brownfield Plan and Work Plan preparation.
- The Brownfield Plan includes \$1,101,727 of TIF capture by the City for deposit into the City's Affordable Housing Fund, to support future affordable housing development.

The petitioner team has also been provided a table that summarizes the most applicable aspects of the City's A2Zero goals for consideration and/or response. This proposed Brownfield Redevelopment Plan presumes the City's granting of a 12-year Industrial Facilities Tax Exemption to the development as well.

Sartorius, a life sciences company is seeking to redevelop 3874 Research Park Drive to consolidate some local and national operations. The proposed development includes:

- Demolition of existing 27,250 square foot building (completed)
- Construction of new 131,300 square foot research and office building.
- The proposed building represents the first phase of a potential multi-phased development on five existing lots, totaling 17 acres.
- 299 vehicle spaces, with 150 EV spaces.
- A 125kwh rooftop solar energy system

On February 15, 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., Interim City Administrator

Whereas, Sartorius has requested approval of the 3874 Research Park Drive 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 31, 2022, 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 April 4, 2022 to receive public comment on the Brownfield Plan;

RESOLVED, That City Council approve the 3874 Research Park Drive Redevelopment Brownfield Plan submitted to the City and dated March 15, 2022;

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 by the Committee and approval by City Council.