

2015 - 2017

# Brownfield Redevelopment Authority PROGRESS REPORT



8 projects

\$270 million in new investment

1,900 projected new jobs

\$45 million in increased taxable value

300 acres





### Introduction

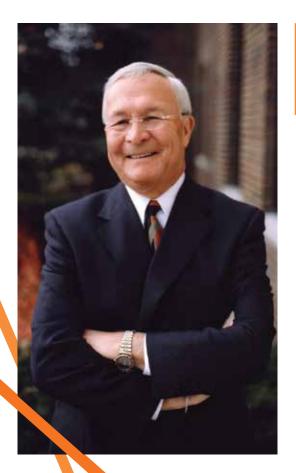
- **01** Message from Oakland County Executive L. Brooks Patterson
- Message from Oakland County Brownfield Redevelopment Authority Chairman Peter Webster
- Oakland County Brownfield Redevelopment Authority Board of Directors
- **04** Overview of Brownfield Redevelopment

### Projects

- Project I: Challenge Manufacturing Company Pontiac Automation and Assembly\*
- **07** Project II: M1 Concourse\*
- **11** Project III: Dan's Excavating\*
- **13** Project IV: Dunhill Park Subdivision
- **15** Project V: George W. Auch Construction Headquarters\*
- 17 Project VI: The Village at Bloomfield
- **19** Project VII: Rivore Metals
- 21 Project VIII: Iron Ridge Redevelopment

<sup>\*</sup> Indicates a General Motors / RACER Trust Property Successfully Redeveloped.

# A Message From Oakland County Executive L. Brooks Patterson



Since its start in 2001, the Brownfield Redevelopment Program has made a dramatic positive impact that will have a lasting legacy in Oakland County.

At its core, the program has a dual purpose. It seeks to improve the quality of life for our citizens by protecting the unique environmental features of the county and also allows for redevelopment of our cities and lands.

The brownfield program ensures the development of sustainable communities through remediation and reinvestment in contaminated and abandoned properties. By partnering with private investors, our communities increase their tax base, facilitate job growth and utilize existing infrastructure — breathing new life back into areas that were unusable.

# **A Message From** The Oakland County Brownfield Redevelopment Authority Chairman

# Peter Webster



We have been hard at work reviewing and approving great redevelopment projects in Oakland County.

During the last three years, the board has reviewed and approved eight projects, all highlighted in this report.

These projects have resulted in over \$270 million in new investment with over 1,900 expected new jobs. The projected increase of the taxable value of the properties is over \$45 million. More importantly and consistent with a main purpose of our redevelopment mission, more than 300 acres of contaminated property have been cleaned through private investment. In other words, about the same amount of land as Springfield Oaks County Park has been cleaned up and repurposed to productive use.

Our Oakland County Executive L. Brooks Patterson, with the consent of the Oakland County Board of Commissioners, has appointed one of the most qualified Brownfield Redevelopment Boards in Michigan. We hold project applicants to a high standard and look out for the county's taxpayers.

We are supported by an exemplary Oakland County staff that works collaboratively with state of Michigan agencies and our local communities. Our success for the residents and businesses of Oakland County would not be possible without the high quality people on our team.

We look forward to our upcoming projects and the continued efforts to make Oakland County the best county in which to live, work, play and prosper.

Oakland County Brownfield Redevelopment Authority (OCBRA)

# Board of Directors

(Appointments as of February 1, 2017)

### Brad Hansen

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Department of Economic
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(248) 858-8073

### Michael Gingell

Chairman, Oakland County Board of Commissioners - District 1

### Daniel P. Hunter

Deputy Director, Oakland County Department of Economic Development & Community Affairs

### Anne Jamieson-Urena

Principal, Jamieson Development Consulting, LLC

### Keith J. Lerminiaux

Corporation Counsel, Oakland County

### **Grant Trigger**

Cleanup Manager, Michigan RACER Trust

### Peter Webster, Esq.

Member, Dickinson Wright PLLC

### Douglas J. Williams

Retired Deputy County Executive, Oakland County

### **Eric Wilson**

Chairman, Road Commission for Oakland County

### **David Woodward**

Oakland County Board of Commissioners - District 19

### Previous OCBRA Board Members (with years served)

Tim Burns, former Oakland County Commissioner (2008-2009)

David Coulter, former Oakland County Commissioner (2005-2008)

Hugh Crawford, Oakland County Commissioner – District 9 (2007-2009)

Douglas Etkin, Principle, Etkin Real Estate/Solutions (2001-2009)

Thomas Law, former Manager, Oakland County Waste Resource Management (2004-2008)

Martin Seaman, former Manager, Oakland County Waste Resource Management (2001-2004)

**Doug Smith,** former Director of Real Estate Development, City of Troy (2001-2007)

# Overview of Brownfield Redevelopment

Michigan law allows communities to create a variety of development authorities that utilize tax incentives and special funding for purposes such as downtown development or commercial corridor improvements.

For example, a Brownfield Redevelopment Authority is an administrative board that can be created locally or through the county when a city, village or township wants to accomplish one or more of the following:

- Improve environmental conditions
- Redevelop a blighted or functionally obsolete property, including demolition
- Address unsafe or contaminated conditions, including lead or asbestos abatement
- Revitalize its downtown
- Conserve greenspace

A community can create a brownfield plan that will support private investment. A private developer/investor can be reimbursed on eligible costs through grants and/or tax incentives and get financing support. Often the overall result for the community is an enhanced new tax base and more jobs.

### Related Acronyms

BRA Brownfield Redevelopment Authority
CIA Corridor Improvement Authority
DDA Downtown Development Authority
EPA Environmental Protection Agency
LDFA Local Development Finance Authority

MBT Michigan Business Tax

MDEQ Michigan Department of Environmental QualityMEDC Michigan Economic Development CorporationNREPA Natural Resources and Environmental Protection Act

**RACER** Revitalizing Auto Communities Environmental

Response Trust

TIF Tax Increment Financing

TIFA Tax Increment Finance Authority

TIR Tax Increment Revenues

**USEPA** U.S. Environmental Protection Agency

Challenge Manufacturing Company –

# Pontiac Automation and Assembly

## Investment \$52.5 million

Size

450,000 sq. ft. industrial building

Jobs Created 400 full time

Tax Base Before \$306,390

New Tax Base \$592,470 to date

Eligible Activity
TIF - \$5,005,250

### **BROWNFIELD CONDITIONS**

Since the 1970's, property had historically been used for automotive manufacturing operations, including:

- Bulk petroleum storage, above and underground, in small containers to large storage tanks. Petroleum compounds included gasoline, diesel fuel and various hydraulic oils (axle lubricant, transmission fluid, etc.)
- Painting operations generated solid and liquid wastes containing solvents
- Subsurface assessment results at the property identified various contaminants in soil and groundwater above MDEQ Part 201 generic residential cleanup criteria and screening levels. As defined by Part 201, the exceedance of the criteria indicates the property as a "facility"



### **REDEVELOPMENT**

- A 450,000 sq. ft. assembly plant
- Investment estimated at \$52.5 million
- Required baseline environmental assessment, due care, site demolition, site preparation and additional response activities to prepare for vertical construction

# M1 Concourse



### **Investment** \$43 million to date

### Size

200,000 sq. ft. industrial building for 192 car condominiums

### **Jobs Created**

12 full time jobs created to date Hundreds more once commercial and office phases are finished

## Tax Base Before \$412,710

### New Tax Base \$11,477,700 to date

\$13 million estimated when finished

Eligible Activity
TIF - \$14,739,154

#### **BROWNFIELD CONDITIONS**

- Property is eligible for inclusion in this brownfield plan because the property is in the city of Pontiac, a qualified local governmental unit, and the five parcels are "facilities" as defined by 1994 P.A. 451, as amended. The presence of contaminants at levels greater than generic residential use criteria was demonstrated by the results of environmental assessments
- 30,000 sq. ft. area of light non-aqueous phase liquid was identified in the south central portion of the property. A fingerprint analyses identified it as a middle-distillate fuel
- Groundwater impacted with trichloroethene was identified near the northwest corner of the property

   the concentration exceeds Part 201

   Nonresidential Drinking Water Criteria
- Multiple volatile organic compounds and metals were measured in soil and groundwater at concentrations above Part 201 Nonresidential Criteria at numerous locations across the property

#### REDEVELOPMENT

Estimates indicate there are more than 50,000 classic, exotic and collector cars in metropolitan Detroit, all of which are either being stored in their owner's home garages or in buildings throughout the area. These storage solutions more often than not present significant challenges to the security, maintenance and accessibility of the vehicles. M1's car condominiums offer a convenient solution to these challenges, while at the same time providing car enthusiasts with a place to share their passion.

The development has been designed to be a year-round, automobile-themed destination for automobile collectors and enthusiasts alike, particularly during the annual Woodward Dream Cruise, the world's largest one-day automotive event. The Woodward Dream Cruise draws approximately 1.5 million people and 40,000 classic cars internationally to celebrate the automotive history of the city of Pontiac and southeast Michigan.

The development will include approximately 1/3 mile of frontage on Woodward Avenue and provide members and the public with access to a variety of unique venues, activities and retail outlets:

A destination restaurant operated by a well-known local restaurateur serving modern fare reminiscent of the classic Woodward Avenue soda shop, including a large parking lot to encourage people to "stay and display" their vehicles

- A large events center for car shows, media events, vehicle auctions, conferences and other special occasions. Demonstration garages showcasing vehicles and products of various automotive manufacturers and suppliers. Retail outlets will include auto supply, paint/body, detailer, customization/restoration and car audio/visual run by independent proprietors
- Large-scale public exhibition space that can be utilized for concerts, car shows, drive-in movies, auctions and other open air events
- A state-of-art demonstration track that can be used for defensive driving classes, vehicle testing, private course driving and/or performance driving schools





### FOUR PHASES OF CONSTRUCTION

### PHASE 1

All site demolition and initial earthwork, including:

- Surface pavement and concrete removal
- · Mobilization of an on-site crushing plant
- · Earthwork/grading
- PCB-contaminated soil removal

Infrastructure, building and renovations start:

- Nine car condo structures (80 units)
- · Renovation of Building 30
- Earthwork for the outdoor stage and exhibition area
- Approximately 75% of the overall development utility infrastructure
- The 1.4 mile vehicle performance track, car condo access drives and parking areas
- Right-of-way improvements along Woodward Avenue, West South Boulevard and Rapid Street
- New pavement entrances, utility connections, landscaping, signage, new sidewalks and common areas

### PHASE 2

Infrastructure and construction:

- Three car condo buildings (57 units)
- · Four retail buildings
- · One three-story commercial/restaurant building
- · One office building
- Installing utility leads connections to existing infrastructure, paved drives and parking areas and landscaping

66The Oakland County Brownfield Redevelopment Authority was a pleasure to work with on our Tax Increment Financing. They were transparent in their due diligence and partnered with me to ensure all of the approvals and documentation were in place in a timely fashion. 99

Brad Oleshansky, Founder/CEO, M1 Concourse

### PHASE 3

Infrastructure and construction:

- Three car condo buildings (55 units)
- · Four retail buildings
- Installing utility leads connections to existing infrastructure, paved drives and parking areas and landscaping

### PHASE 4

Infrastructure and construction:

- Four car condo buildings (72 units)
- · Four retail buildings
- Installing utility leads connections to existing infrastructure, paved drives and parking areas and landscaping



### FORMER GENERAL MOTORS - PLANT 25 (48 ACRES) 225 EAST COLUMBIA, PONTIAC

# Dan's Excavating

### **BROWNFIELD CONDITIONS**

- Property was used for disposal of nonsalvageable wastes related to engine assembly, car assembly, foundry, painting, stamping, engine machining, metal plating, wastewater treatment and direct disposal of incinerated materials from 1920s to 1970s
- Was occupied by General Motors chassis parts and machining plant and engine plant from the 1960s until vacated in 2008
- A former 20,000-gallon gasoline underground storage tank was located northwest of the former building
- A former 1,000-gallon gasoline aboveground storage tank was located northwest of the former industrial building
- In western portion of former industrial building: Oil storage area, paint booth and sump area in basement contained a sludge tank, pumping system, floor sumps and process pits

- Eastern portion of former industrial building had sump area and process pits in the basement
- Various volatile organic compounds and metals were identified above MDEQ Part 201 and/or Part 213 Drinking Water Protection and/or Groundwater Surface Water Interface Protection
- Lead was detected above industrial direct contact
- Additionally, 2,3,7,8- tetrachlorodibenzop-dioxin was reportedly above EPA Toxicity Equivalent

### REDEVELOPMENT

- Prepare the existing property for new build of a 12,000 sq. ft. office and truck repair facility in the southwestern portion of property
- Truck storage and staging use in other parts of property



## FORMER APPLE ORCHARD (23.76 ACRES) NORTH OF 8 MILE ROAD AND WEST OF BECK ROAD, NOVI

# Dunhill Park Subdivision



### **BROWNFIELD CONDITIONS**

- · Former apple orchard
- Soil testing determined presence of impacted soils containing arsenic levels exceeding the unrestricted residential criteria set by MDEQ

### REDEVELOPMENT

**OWNER: HUNTER PASTEUR HOMES** 

Estate-sizes range from 3,500 to 5,000+ sq. ft. on one-third to half-acre sites. Uniquely designed homes with five floorplans to match today's lifestyles of "how you live in your home," including:

- Four-bedroom Colonials
- First floor owners suite plan
- Three-car, side-entry garages
- Gourmet kitchens with granite or quartz countertops
- · Wide-plank hardwood flooring and impressive trim molding
- First floor brick
- · Maintenance-free exteriors
- Ten-foot, first floor ceilings
- Aluminum clad windows

# Investment \$17 million

### Size

23.76 acres for 31 single family houses (3,500 to 5,000+ sq. ft.)

Jobs Created N/A, Residential

Tax Base Before \$569,000

New Tax Base \$2.48 million to date (no houses built yet)

Eligible Activity
TIF – \$1,841,374





## FORMER RACER TRUST FACILITY (3.66 ACRES) 65 EAST UNIVERSITY, PONTIAC

# George W. Auch Construction Headquarters



#### **BROWNFIELD CONDITIONS**

- Parcels that comprise the eligible property are a facility and vacant land, covered with asphalt, concrete and portions of a former building floor pad
- Buried culvert for Clinton River bisects the parcel from north to south — which makes building over that portion impossible

#### REDEVELOPMENT

- Auch will transform the eastern portion of the property to serve as its new 20,000 sq. ft. headquarters, a 21st Century work space in the heart of downtown Pontiac with walkable access to many urban amenities
- Will keep surrounding 3-1/2+ acres as open urban meadow and green space at eastern entrance to downtown
- Is exploring ways to use the green space for special ceremonies and events in Pontiac, supporting city renewal goals





Investment \$5.6 million

Size 20,000 sq. ft. office building

Jobs Created
10 full time

Tax Base Before \$20,330

New Tax Base *Projected* \$1.3 million

Eligible Activity
TIF – \$3.641.000

66Our experience working with the Oakland County Brownfield Redevelopment Authority was extremely positive. The process was well defined and with the guidance and support of the county's brownfield coordinator, we were able to maintain our scheduled timeline and keep the project on track. The board was very supportive and paved the way for the required approvals from other governmental agencies necessary for the success of our development.99

Vince DeLeonardis, President of Auch Construction

# The Village of the development (87 ACRES) telegraph road, pontiac at Bloomfield park of the bounding of the bo



### **BROWNFIELD CONDITIONS**

- Property deemed functionally obsolete as verified by a Michigan Master Assessing Officer on September 13, 2016
- Demolition activities necessary to address eight structures in various stages of completion, all of which have been qualified as functionally obsolete by the Oakland County Assessor

• Site preparations include:

Geotechnical evaluation and design

Staking for site grading, excavation, soil erosion and sedimentation control applications

Establishment of temporary construction roads and facilities

Temporary traffic control

Temporary erosion control

Site clearing and grubbing

Excavation of unsuitable fill material (non-environmental) and associated dewatering

Site grading and balancing

On-site geotechnical and construction monitoring

 Infrastructure improvements for streets, sidewalks, curbs, landscaping in the public right-of-way and storm water management systems are necessary to support new development



### Investment

Almost \$122.7 million projected

### Size

1,348,862 sq. ft. of mixed-use space

Jobs Created 1,144 full time

Tax Base Before \$2,631,680

New Tax Base \$25,687,506

Eligible Activity
TIF - \$24,691,049

### REDEVELOPMENT

**OWNER: REDICO** 

- Project includes new and renovated residential and commercial buildings on 87 acres of property
- 1,348,862 sq. ft. space in total is projected to be developed
- Developer intends to construct approximately:

432 multi-family residential units with an average size of 900 sq. ft.

10,000 sq. ft. residential community building

120,000 sq. ft. senior assisted living of 100 units

A 106 key select-service hotel of 60,000 sq. ft.

A 237,000 sq. ft. home improvement retail anchor

89,000 sq. ft. of additional retail space

77,000 sq. ft. of retail and/or commercial space in a mixed-use building

A 365,822 sq. ft. parking deck with 1,050 above grade parking spaces

1,778 surface parking spaces

21.2 acres of active recreation and open space to serve the property

FORMER MANUFACTURING PLANT - DATES BACK TO 1924 (11.2 ACRES) 366, 400 AND 500 EAST SOUTH BOULEVARD, PONTIAC

# Rivore Metals

### **BROWNFIELD CONDITIONS**

- Property contains multiple contaminants at concentrations above the Part 201 Generic Residential Cleanup Criteria
- Laboratory analytical results showed that the property meets the requirements for classification as a "facility" under Section 20101 of NREPA Act 451, Part 201, as amended
- Chemicals that were detected in soil at concentrations exceeding one or more generic Part 201 criteria include: Arsenic, Barium, Benzene, 1,1-Dichloroethene, Ethylbenzene, Methylene Chloride, 2-Methylnaphthalene, Naphthalene, Phenanthrene, Selenium, Trichoroethylene, 1,2,4-Trimethylbenzene, Vinyl Chloride, Xylenes and Zinc





Investment \$6 million

### Size

11.2 acres, 105,200 sq. ft of industrial space, three buildings

Jobs Created 40 full time and 40 more projected

Tax Base Before \$234,630

New Tax Base *Projected* \$1.9 million

Eligible Activity
TIF – \$1,824,600

### **REDEVELOPMENT**

- Locally-based company is able to expand operations in Oakland County
- Multi-phase development project includes:

Site infrastructure and demolition of existing property
Reuse and new construction of three warehouse buildings totaling 105,200 sq. ft.

# Iron Ridge | FORMER WALKER WIRE MANUFACTURING - DATES BACK TO MID-1940s (13 ACRES) 10 MILE AND BERMUDA, FERNDALE AND PLEASANT RIDGE | Redevelopment



#### **BROWNFIELD CONDITIONS**

- The parcels comprising the property determined to be a "facility" and/or adjacent and contiguous to a "facility"
- Groundwater analytical results identified concentrations of the following that were all above various Part 201 residential and nonresidential cleanup criteria: Tetrachloroethylene/Trichloroethylene, Benzene, various petroleum volatile organic compounds, Benzo(a)pyrene, Flourathene and/ or Phenanthrene, Polychlorinated Biphenyls, Chromium and Vinyl Chloride

- Contaminant concentrations identified on the Property identified as 660 East 10 Mile Road, 3155-3351 Bermuda Street and 400 East 10 Mile Road indicate exceedances to the Part 201 Residential and Nonresidential Drinking Water Protection/Drinking Water (DWP/DW), Groundwater Surface Water Interface Protection/ Groundwater Surface Water Interface (GSIP/ GSI), Direct Contact (DC) cleanup criteria and Vapor Intrusion Screening Levels; therefore, the property is a "facility" under Part 201
- Contaminant concentrations identified on the property identified as 404 East 10 Mile Road indicate exceedances to the Part 201 residential and nonresidential DWP, GSIP, Soil Volatilization to Indoor Air Inhalation, Ambient Air Volatile Soil Inhalation, Particulate Soil Inhalation, and DC cleanup criteria. Therefore, the subject property is a "facility" under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder

### Investment \$25 million

### Size

13 acres, 231,000 sq. ft. of mixed space to be redeveloped or built

**Jobs Created** 220 full time (during the next three years)

### Tax Base Before Ferndale - \$411,530

Pleasant Ridge - \$1,123,420

New Tax Base **Projected** Ferndale - \$3,624,950 Pleasant Ridge - \$2,443,400

Eligible Activity
TIF - \$6,563,000



#### REDEVELOPMENT

OWNER: IRON RIDGE HOLDINGS, LLC

- · Project entails extensive renovation of a former, dilapidated industrial building and surrounding property for reuse as an inclusive multi-use campus
- The nearly 70,000 sq. ft. vacant industrial building that anchors the campus will be transformed into a market space, beer garden and brewery and provide additional office and commercial space
- Campus will include the renovation of three additional buildings occupied by tech offices, professional offices, a fitness center and commercial space
- The construction of new apartment complexes to complement the site are also proposed along the eastern portion
- Together, the existing building space and proposed new build totals approximately 231,000 sq. ft.

## Oakland County SUPPORTING BROWNFIELD

Department of Economic Development & Community Affairs **Leadership** 



Matthew Gibb

Deputy County Executive



Irene Spanos
Director



Daniel P. Hunter
Deputy Director



Bret Rasegan

Manager

Planning Division



Brad Hansen
Brownfield Program Coordinator
Planning Division







## Contact

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Developed with the support of the Oakland County
Board of Commissioners