

## **Brownfield Redevelopment Authority of City of Madison Heights**

### **Memorandum**

**Date:** June 13, 2025

**To:** Brownfield Redevelopment Authority Board Members

**From:** Giles Tucker, Community & Economic Development Director

**Subject:** Brownfield Reimbursement Request #1 Madison Center Owner LLC 29101-29501 John R

---

#### **Background**

The approved Brownfield Plan for the redevelopment located at the facility located at 29448 John R Rd was recommended for approval by the Brownfield Redevelopment Authority on January 16, 2024, approved by City Council on and executed by the City and Owner on April 12<sup>th</sup>, 2024. The approved Brownfield Plan included a total reimbursement “not-to-exceed” \$2,041,686 for eligible activities. This total includes \$1,785,905 in estimated eligible activities and a 15% contingency of \$255,781.

A Reimbursement Request was submitted by Pinchin LLC on behalf of 28202 Woodward Holding LLC (Owner) to the city on May 30, 2025. The request included a summary and supplemental documentation substantiating \$170,815.53 of eligible activities. Their request includes signed and notarized Applications for Payment, Statements from 28202 Woodward Holding LLC contractors and signed Full & Partial Conditional Waivers. If accepted, 28202 Woodward Holding LLC will have a total of \$170,815.53 approved for reimbursement, leaving a total up to \$1,870,870.47 available for reimbursement for this project, provided that future reimbursement requests are reviewed and approved by the Madison Heights Brownfield Redevelopment Authority.

#### **Staff Findings**

Staff reviewed the descriptions of all activities they are seeking reimbursement for, their associated costs and verified that the proof of payment documentation they provided demonstrates that the developer has paid all contractors and their subcontractors who completed these activities. All the activities requested for reimbursement were found to be eligible activities under Act 381. However, there were three activities that were requested for reimbursement that were not specifically itemized within the approved Brownfield Plan.

1. Due Care Planning \$5,000: Property owners are required to take measures to prevent exacerbating existing contamination and to prevent human exposure and mitigate hazards to protect human health and safety, this known as “exercising due care”. Due Care Planning identifies and helps prepare the project to do so.

2. Staking \$1,495: Staking is marking the ground with stakes to denote the location and elevation of construction features. We have reimbursed this activity in other projects, because they were in the approved brownfield plans
3. Clearing & Grubbing (Tree Removal Services) \$10,000: The removal of vegetative cover, including tree removal.

The BRA has some discretion whether to included these costs in the reimbursment request. It is the view of staff that all of these activities are normal and reasonable activities necessary to prepare for the development of the site. For that reason, staff would prefer to include all the activties in the reimbursment.

**Staff Recommendation:**

Staff has reviewed this request and recommends 28202 Woodward Holding LLC be approved for a total reimbursement of \$170,815.53.