

MEMORANDUM



TO: VICTOR CARDENAS, INTERIM CITY MANAGER
FROM: JEFFREY A. MUCK, DIRECTOR PARKS, RECREATION, AND CULTURAL SERVICES
SUBJECT: ITC COMMUNITY SPORTS PARK EXPANSION
DATE: JUNE 1, 2023

Mayor and Council –

Background material for discussion during proposed closed session at the June 5th Council meeting.

- Victor

The Parks, Recreation, and Cultural Services (PRCS) Grant Committee assists with determining priorities for land acquisition, park development, and program grants. In 2016 the Committee discussed the acquisition of the 88.32-acre property (parcel 50-22-31-300-003) immediately east and adjacent to ITC Community Sports Park (CSP) on the northeast corner of Eight Mile and Napier Roads.

As a part of its due diligence, the City, in late 2016, conducted an appraisal resulting in a value of \$3,310,000. The owner was asking \$5,100,000.

A Phase I environmental assessment study was conducted and revealed no evidence of current, historical, or controlled Recognized Environmental Conditions with the exception of the following:

- Methane gas was previously discovered both in the subsurface soils and emanating into the ambient air during the 2006 site investigation activity (provided by the owner). The investigation revealed the presence of methane gas at concentrations above levels of concern, and additional investigation to determine acute risks was recommended. It appears that the presence of the methane gas was due to the improper abandonment and following former oil well damage as a result of heavy equipment use and the presence of the former drilling mud pit.
- Historical investigations have indicated that areas of unnatural fill, primarily construction debris, were observed on the Subject Property, presumably as part of the former sand and gravel mining operation. Soil and groundwater testing activity has revealed the presence of elevated metals.
- The Subject Property is located directly west of a former landfill (Anderson-Munn), with records revealing dumping of some chemicals and potentially hazardous materials.

- Miscellaneous dumping of materials, including tires, metals objects, and possible abandoned drums, were observed along the south side of the Subject Property.
- Historical use in some areas of the Subject Property as an orchard prior to the removal of sand and gravel.

Based on the presence of the RECs, the City's consultant recommended the performance of Phase II assessment activity included the following:

- Perform methane gas sampling from the existing wells and gas vapor points to verify the presence or absence of methane gas.
- Sample the existing on-site groundwater monitoring wells to verify the presence or absence of elevated contaminants. Perform groundwater evaluations required to confirm the groundwater flow direction, if possible.
- Perform shallow soil sampling in areas of debris dumping to verify the presence or absence of near-surface impacts.

City Council discussed the property in Executive Session in October 2016. It was decided not to pursue the property at the time due to the purchase price and concerns regarding the contamination.

The property has remained undeveloped and appears to still be owned by Servetus Opportunities, LLC but is not actively listed for sale. The land was last purchased in 2006 for \$1.75 million, and the current assessed value is \$1,042,450.

The property was brought up again at the May PRCS Grants Committee as a possible acquisition. The Committee recommended it be brought to City Council Executive Session for discussion. If Council decides to pursue the acquisition, the following purchase options are available:

1. Cash Purchase
2. Michigan Natural Resources Trust Fund Grant- earliest submittal would be 2024 and scoring will be impacted by the Ella Mae Power Park land swap/conversion.
3. Potential collaboration with Oakland County Parks and Recreation

A Phase II environmental study should be conducted on the property. It is recommended that Council discuss a maximum purchase price that would be acceptable to order the study.

Please let me know if you need any additional information.

