



Notice City Commission Study Session

7:00 PM

Monday, June 8, 2015

Governmental Center, Commission Chambers, 400 Boardman Avenue
Traverse City, MI 49684

Posted and Published: 06-05-2015

The meeting informational packet is available for public inspection at the Traverse Area District Library, Law Enforcement Center, City Manager's Office, and City Clerk's Office.

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At the request of Acting City Manager Penny Hill, City Clerk Benjamin Marentette has called this Study Session.

City Commission:

c/o Benjamin C. Marentette, MMC, City Clerk
(231) 922-4480

Email: tcclerk@traversecitymi.gov

Web: www.traversecitymi.gov

400 Boardman Avenue

Traverse City, MI 49684

The mission of the Traverse City City Commission is to guide the preservation and development of the City's infrastructure, services, and planning based on extensive participation by its citizens coupled with the expertise of the city's staff. The Commission will both lead and serve Traverse City in developing a vision for sustainability and the future that is rooted in the hopes and input of its citizens and organizations, as well as cooperation from surrounding units of government.

Welcome to the Traverse City Study Session!

Any interested person or group may address the City Commission on any agenda item when recognized by the presiding officer or upon request of any commissioner. Also, any interested person or group may address the City Commission on any matter of City concern not on the Agenda during the agenda item designated Public comment. The comment of any member of the public or any special interest group may be limited in time. Such limitation shall not be less than five minutes unless otherwise explained by the presiding officer, subject to appeal by the Commission.

Agenda

Pledge of Allegiance

Roll Call

1. Discussion regarding the contract with American Waste as the designated residential solid waste hauler, which expires March 31, 2016. (Penny Hill, Dave Green)
2. Discussion regarding Boardman Lake Brownfield Plan. (Penny Hill, Jean Derenzy).
5. Announcements from the City Clerk. (Benjamin Marentette)
6. Public comment.
7. Adjournment.



The City of Traverse City

Communication to the City Commission

FOR THE CITY COMMISSION STUDY SESSION OF JUNE 8, 2015

DATE: JUNE 5, 2015

FROM: PENNY HILL, ACTING CITY MANAGER

SUBJECT: JUNE 8 STUDY SESSION

1. ***Discussion regarding the contract with American Waste as the designated residential solid waste hauler, which expires March 31, 2016.***

In 2011, the City Commission, following a bidding process, based on involvement with various stakeholders and jurisdictions, signed a five-year contract with American Waste for it to be the designated residential solid waste hauler. The contract expires March 31, 2016.

When the contract was authorized, uniform prices were established, with the option for American Waste to increase prices by 3% at the beginning of each contract year, along with a fuel surcharge if fuel prices are above \$3.50 per gallon. The following illustrates the initial prices and the current prices:

Service	2011 Price	2015 Price
96-gallon weekly cart service, with weekly recycling service and monthly bulk item pickup	\$11.00/month	\$12.45/month
30-gallon budget bag (bags purchased by customer @ \$2/each) pickup with weekly recycling service and monthly bulk item pickup	\$6.00/month	\$6.83/month
30-gallon budget bag pickup only (bags purchased by customer @ \$2/each)	\$2/bag	\$2.23/bag
30-gallon yard waste compostable bags (furnished by customer) from April through November, bi-weekly	\$2.00/sticker	\$2.23/sticker

American Waste has offered a 5-year extension to their contract, with all prices to be frozen for a 5-year period, through March 31, 2021.

The Department of Public Services, City Clerk's Office, City Treasurer's Office and City Manager's Office have received no negative feedback regarding this contract during the preceding four years.

Because this contract expires this coming March, on Monday evening, it would be helpful for the City Commission to indicate if they would like staff to bring back a contract that reflects the proposal from American Waste for future City Commission authorization or if some other direction is desired.

2. ***Discussion regarding Boardman Lake Brownfield Plan.***

Attached is a memo with an overview of the public projects within the Boardman Lake Brownfield Plan, specifically:

- Development of a new street - Boardman Lake Avenue
- Relocation of the railroad wye at 14th Street
- Completion of the Boardman Lake Trail

Also attached is a description of associated costs with these projects, which are included in the Brownfield Plan. Grand Traverse County Deputy Director of Planning and Development Jean Derenzy, will be in attendance Monday evening to review the progress to date and to review next steps toward implementation of the plan. From the discussion, it would be helpful for the Commission to provide general direction on which projects are a priority, and provide direction to staff on pursuing funding options.

PH/bcm

copy: Dave Green, Director of Public Services
Timothy Lodge, City Engineer
Russell Soyring, City Planning Director
Jean Derenzy, Grand Traverse County Deputy Director of Planning and Development



Memorandum

Grand Traverse County
Planning and Development
Email: jderenzy@grandtraverse.org
www.grandtraverse.org/planning

To: Traverse City Commission
Penny Hill, Interim City Manager

From: Jean Derenzy, Deputy Director Planning & Development
Russ Soyring, City Planner
Tim Lodge, City Engineer

Date: June 3, 2015

Subject: Overview / Public Projects of Boardman Lake Brownfield Plan

The Boardman Lake Brownfield Plan (PLAN), originally approved in 2000 is now ready for discussion relating to the implementation components of the three public infrastructure projects. Those three public projects which are contained in this PLAN are: 1) New Street {commonly referred to as Boardman Lake Avenue}, 2) Relocation of the railroad wye {commonly referred to as the railroad turn around on 14th street} and 3) The completion of the trail around Boardman Lake.

Background Information of the PLAN:

The original Brownfield Plan was developed in 2000 recognizing the private redevelopment on Boardman Lake and the associated environmental clean-up activities surrounding those parcels. The private redevelopment has included new housing opportunities for the City, water and sewer, and significant environmental clean-up of this area. The PLAN was amended in 2001 adding the proposed "avenue/street", for a total brownfield costs of \$4,086,308. The second amendment came in 2010, which added property purchase as an eligible reimbursable cost and added a public infrastructure component of completing the Boardman Lake Trail. This amendment became available in 2010 for two reasons: 1) Legislative changes to the brownfield statute that allowed a Land Bank Authority to purchase property and be reimbursed with Brownfield TIF and 2) Due to the economic impacts of the trail, benefitting the entire area allowing TIF to be captured for reimbursement for building of the trail. The ability to capture State taxes was allowed for the trail.

The total dollar amount of the Brownfield Plan is \$11,472,311; being \$10,713,850 of non-environmental costs, and \$758,461 of environmental costs. The Brownfield Plan Area is attached as Attachment A and the non-environmental costs is attached as Table 1.

Completed Projects:

Private: As identified, this PLAN has been in place for 15 years. Within that time, private investment has occurred, while cleaning up historical environmental contamination. The tax base has increased since 2000 by 210%. Completion of the private investment is anticipated to in 2016.

Public: MDOT Property Purchases: Attachment B identifies the purchases that have been completed to date. One remaining MDOT right-of-way remains, being the railroad wye.

First half of the trail contained within the PLAN is now complete, with ribbon cutting occurring in May, 2015.

Summary of Public Projects:

New Street / Relocation of Railroad wye: This public infrastructure (the street component) was identified in the PLAN in the first amendment which occurred in 2001. The ability to include public infrastructure projects occurred in 2000/2001 when State legislation changed identifying "core communities eligible for public infrastructure". The City of Traverse City received core community status. The State of Michigan approved this inclusion and approved the capture of State TIF for the public infrastructure project due to the street being identified in the City's Master Plan since 1994 (when the Plan was put in place in 2000 and 2001) and the identification that the new street would relieve pressure from the Cass Street and Union Street neighborhoods.

The removal of the railroad wye was initially tied to the street, as the street could not be constructed without the removal of the wye. Consensus was reached in 2011 that the removal of the wye was independent of the street, because removal of the wye would eliminate two at-grade road/rail crossings and created redevelopment property (opportunity) within the City limits.

Trail Completion: This public infrastructure project was put into the PLAN with the 2010 Amendment. This project component identified as the last phase of the loop, which would provide a five mile "loop" around Boardman Lake, providing a multi-use pathway that would be easily accessible to the public. With the full understanding that this trail crossed City boundaries to Garfield Township, the State agreed to utilize TIF captured from the increased property value from the City to complete the trail. This was due to the economic impact that the trail provides to the community. (Attachment C). It is noted that no TIF capture can be utilized for maintenance of the trail.

Next Steps:

Financing the Projects:

The private investment, provides the opportunity for the City to implement the public projects in one or two approaches; or a combination of both. As Commissioners are aware, TIF is typically a reimbursement approach, therefore the first approach is you could bond or borrow to fund the project(s) and receive reimbursement for the costs of financing. The second approach is to wait for the funds to be collected through TIF capture to reach a sufficient amount in order to cover the project and then implement.

Prioritizing Projects:

With three public projects the outcome of the Study Session is to provide the strategy to identify the priority public infrastructure projects and the funding tied to the projects.

Attachment A

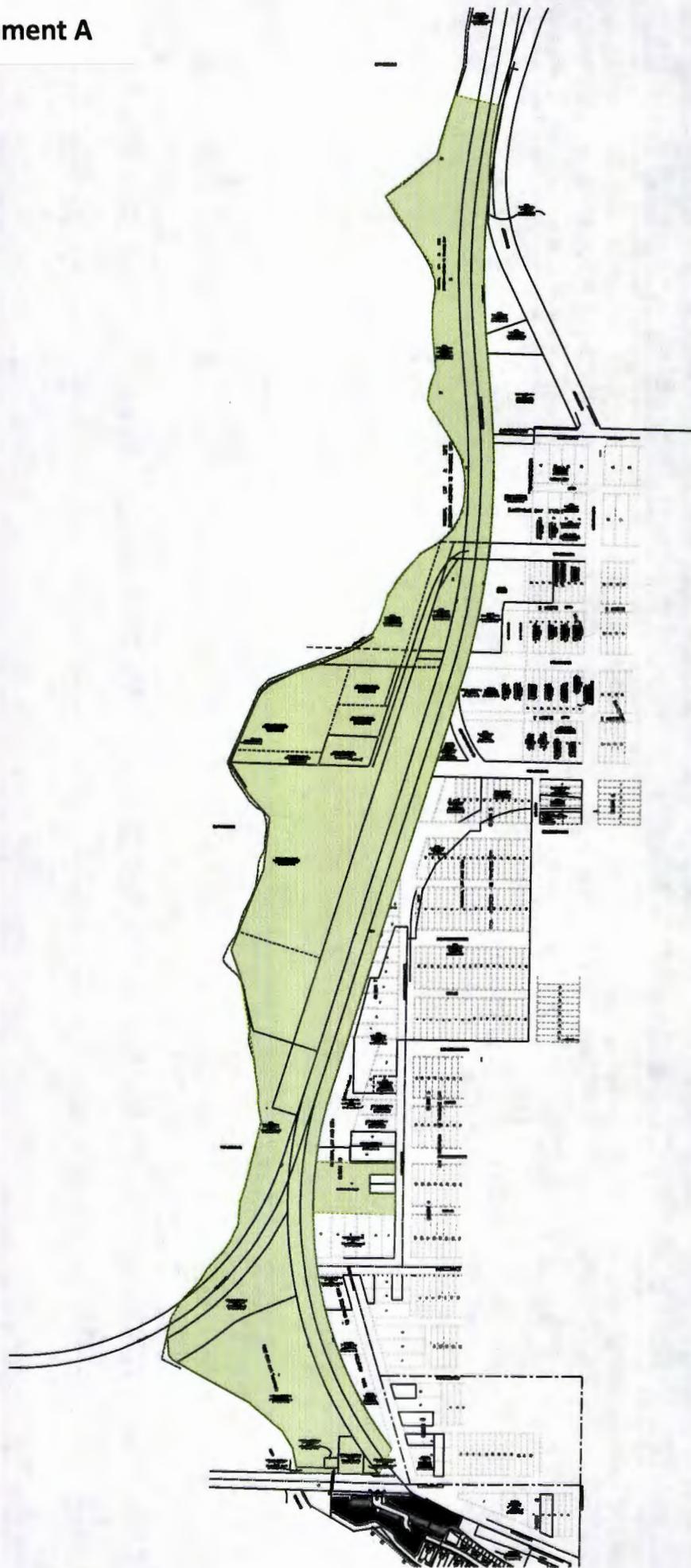
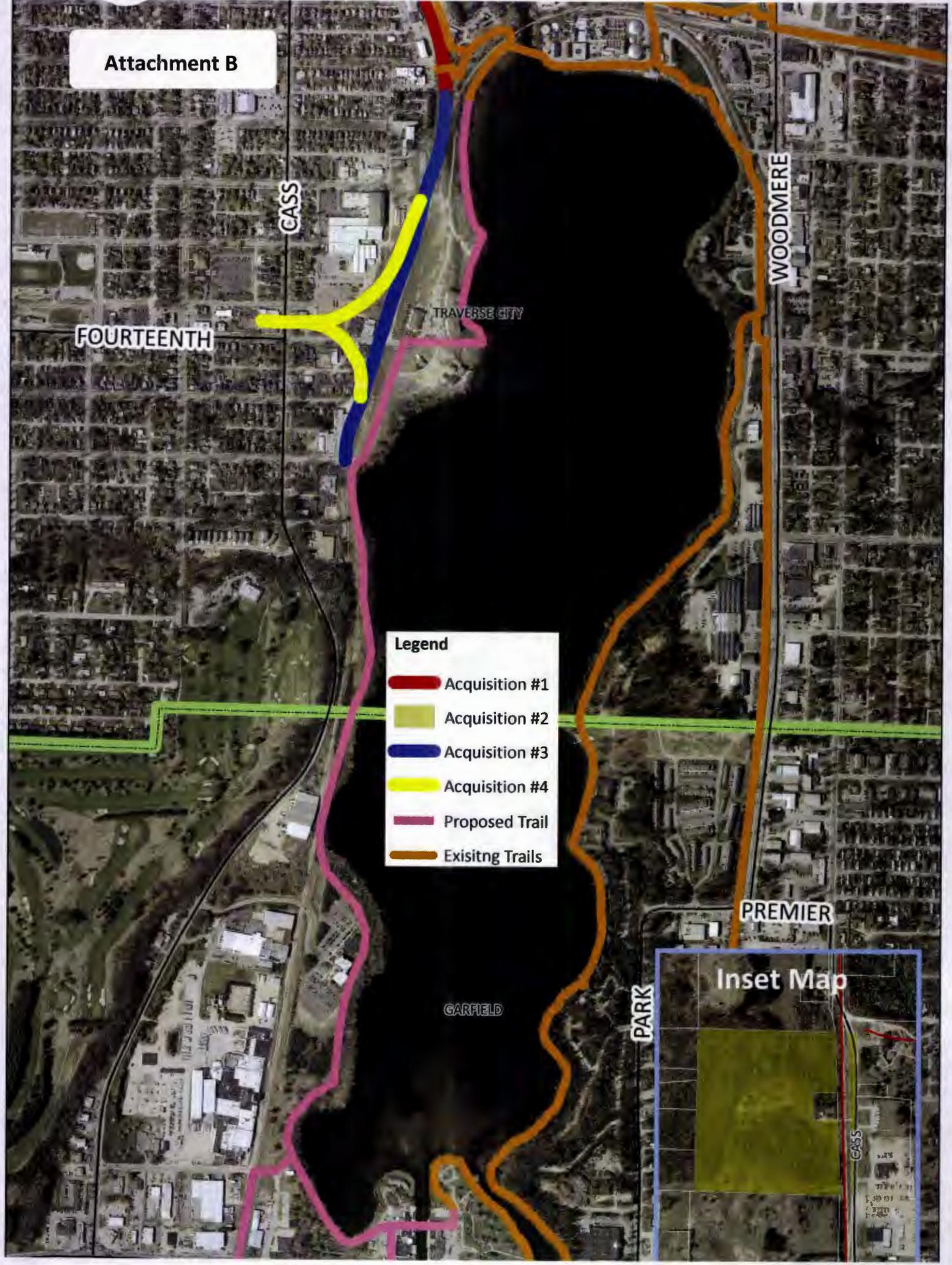


TABLE 1 - MEGA ELIGIBLE ACTIVITES	
LOTS 5, 6, 7, PART OF LOT 8 "HANNA LAY & CO.'S SIXTEENTH	
BROWNFIELD PLAN	
TRAVERSE CITY, GRAND TRAVERSE COUNTY, MICHIGAN	
Eligible Activity Description	Amended Costs
II. MEGA Eligible Activities	
B. Demolition	
Environmental Construction Management	\$ 15,000.00
Demolition associated with the construction of W. Boardman Lake Avenue	\$ 170,000.00
<i>Demolition Subtotal</i>	\$ 185,000.00
C. Site Preparation	
Environmental Construction Management	\$ 20,000.00
Excavation and Backfill	\$ 200,000.00
Site Preparation and Land Balancing	\$ 150,000.00
Restoration	\$ 50,000.00
<i>Site Preparation Activities Subtotal</i>	\$ 420,000.00
D. Infrastructure Activities	
1. Design Services	
Environmental Construction Management	\$ 15,000.00
Construction Engineering Surveys and testing	\$ 366,400.00
Design Engineering/Planning	\$ 266,400.00
Consultant Services Activities Subtotal	\$ 647,800.00
2. Road Preparation	
Boardman Lake Avenue Construction	\$ 1,403,050.00
Rail Relocation	\$ 2,440,000.00
Water, Sewer, Street Improvements Lake Ridge Drive	\$ 125,000.00
Property Acquisition /Road Corridor and Public Easements for Trail	\$ 2,100,000.00
Infrastructure Activities SubTotal	\$ 6,068,050.00
Environmental Construction Management	\$ 15,000.00
Construction Engineering Surveys and Testing	\$ 150,000.00
Design Engineering/Planning	\$ 200,000.00
Consultant Services Activities Subtotal	\$ 365,000.00
Trail Development 10th - 16th	\$ 350,000.00
Waterfront Improvement	\$ 150,000.00
Trail Development 16th - S. Airport Road	\$ 2,485,000.00
Rail Crossing	\$ 35,000.00
<i>Infrastructure Activities Subtotal</i>	\$ 3,020,000.00
Infrastructure Activities Subtotal	\$ 10,100,850.00
TOTAL PLAN SUBTOTAL	\$ 10,705,850.00
D. Agency Work Plan/Administrative Costs	
BRA Plan Development (Brownfield Plan and 381 Work Plan)	\$ 3,500.00
MEGA Work Plan Preparation	\$ 3,500.00
MEGA State Review costs	\$ 1,000.00
<i>Agency Work Plan/Administrative Costs</i>	\$ 8,000.00
Contingencies (15% of Total)	
GRAND TOTAL	\$ 10,713,850.00

Attachment B



Legend

- Acquisition #1
- Acquisition #2
- Acquisition #3
- Acquisition #4
- Proposed Trail
- Existing Trails

Inset Map

ATTACHMENT C
(attachment to Brownfield Plan)
Economic Impact of West Boardman Lake Avenue

West Boardman Lake Avenue is one of the top priority transportation projects and a critical need for the City of Traverse City. This project will directly benefit not only Lake Ridge, a residential development on the West Bank of Boardman Lake supported by the original Work Plan efforts, but also provide improved access to downtown Traverse City, drawing traffic out of a residential neighborhood, and creating a more walk-able community for the City. This project has been discussed with the City Planning, City Commission and at community wide meetings, and has been included in the City Master Plan since 1994.

The development of West Boardman Lake Avenue is an integral part of a broader neighborhood redevelopment strategy, as well as a broader traffic mitigation effort for the city as a whole. In 2001, the City of Traverse City commissioned Andrews University to develop a plan for the Old Towne Neighborhood. Much of that Plan's proposed redevelopment efforts are dependent upon the roadway and trail construction to come to fruition. More specifically, this Work Plan will enable a host of benefits to a broader area:

- Immediate traffic relief on Cass and Union Streets, reducing congestion and increasing residential property values along Cass and Union Streets.
 - There are 72 residential properties on Union Street between 8th and 14th Streets. A modest 5% increase in the current assessed value of these residential properties would yield \$365,000 in additional assessed value.
 - There are 55 residential properties on Cass Street between 8th and 14th Streets. A modest 5% increase in the current assessed value of these residential properties would yield \$230,000 in additional assessed value.
- Two commercial redevelopments on 14th Street. Estimated private investment is estimated at \$2.5 to 3 Million.
- Enhanced on-street parking options, as well as Boardman Lake public access.
- Construction of approximately 15 additional single family homes at the southeast corner of 14th Street and the new Avenue intersection. Anticipated private investment is \$3.25 Million.
- Residential redevelopment along the west side of the new Boardman Lake Avenue. Anticipated private investment is \$10 Million.
- An additional \$18 Million in water-front residential development on the east side of the new Avenue.

Conservatively, the construction of Boardman Lake Avenue is expected to generate \$25 Million of private investment in the City of Traverse, in addition to easing traffic congestion and increasing surrounding property values.

The Economic Benefits of Trails

Trails impact the health of a community's economy in several ways – from the direct increase in property values to the more comprehensive economic impact to the greater community through improved economic opportunities for local businesses. Well-designed trails are an attractive location for both residential and commercial developments. Studies find access to a well-planned trail system is an important incentive to jump start development and can serve as a catalyst for economic improvements at community level.¹

Trails are viewed as amenities; as such they attract home buyers and provide new markets for local businesses.² In a 2002 survey of recent homebuyers by the National Association of Home Realtors and the National Association of Home Builders, trails ranked as the second most important community amenity - outranking security, ball fields, golf courses, parks and access to shopping or business centers. Another survey conducted by the National Association of Homebuilders in 2004 cited trails as the number one amenity prospective buyers were looking for in a new community.³

Communities across the country are finding there's an economic incentive to developing trail systems along streams and rivers that were once home to urban blight. Examples from Charlotte, North Carolina, Chattanooga, Tennessee and Providence, Rhode Island tell the story of a greenway and trail renaissance. Waterways once home to industrial blight were transformed into vibrant and prosperous retail and residential developments through the provision and construction of open space and trails.

The completion of the Boardman Lake Trail presents an opportunity for Traverse City to reap the benefits of an important recreation and transportation facility that links regional trail systems, parks and open space, institutional, residential, commercial and retail complexes. With the completion of the first leg of the trail five years ago, the trail has experienced high levels of use and citizens continue to push for its completion. The development of the west side of the trail will make immediate connections to all types of land uses including residential, commercial, retail and institutional. Completing the trail makes important connections for commuters heading to work at Logan's Landing, Sara Lee, Cone Drive, and other employment centers or students, faculty, and staff making their way to Northwest Michigan College. The trail also provides a necklace of green within the urban fabric of Traverse City and links into both existing and planned regional trail networks amplifying the benefits that could be afforded to the City with the completion of the trail.

Moreover, the trail will be an integral feature in promoting economic development through "placemaking." Placemaking as Dr. Sonji Adelaja, Director of Michigan State University's Land Policy Institute, defines it is "the use of strategic assets, talent attractors and sustainable growth levers to create attractive and sustainable high-energy, high amenity, high-impact, high-income communities that can succeed in the New Economy."⁴ Utilizing this formerly neglected waterfront property to create a trail will make use of a strategic asset and create a key talent attractor in the form of a multi-modal pathway that is connected to regional system. Gary Heidel, Executive Director of the Michigan State Housing and Development Agency, noted that "expanding a waterfront walk and bicycle system, and promoting and contributing to an

integrated regional bicycle trail system with excellent bicycle connections between towns, parks, scenic spots, and natural attractions...can make a place very attractive to knowledge workers and other local residents” in a presentation on the "Importance of Place and Placemaking to Regional Economic Development." ⁴

The completion of Boardman Lake Trail through this Work Plan affords our community the opportunity to seize upon an unique place-based strategy to enhance our quality of life and attract entrepreneurs and young people who are looking for PLACES to live, not just jobs. As Mr. Heidel noted in the aforementioned presentation, this is highly important in the context of the new economy; “If a region does not seize its unique place-based assets and positively exploit them to improve quality of life, then it will not be very successful in attracting a continuing supply of knowledge workers. Without the knowledge workers, it cannot successfully compete in the global New Economy.”⁴ The completion of the Boardman Lake Trail not only fills a gap in a regional bicycle network, it boosts the overall economic competitiveness of our community in a global context by helping creating a place that attracts and retains talented knowledge workers.

¹Erickson, Donna. “MetroGreen: Connecting Open Space in North America”. Washington D.C., Island Press, 2006.

² Rails to Trails Conservancy, “From Trail Towns to TrOD: Trails and Economic Development”, August 2007

³Melekian, Bradley. “From Kitchen to the Wild in 30 seconds.” New York Times. September 7, 2006.

⁴ Heidel, Gary (2010). *Importance of Place and Placemaking to Regional Economic Development* (Powerpoint Presentation).