

## ADMINISTRATIVE POLICY

RE: ENVIRONMENTAL ASSESSMENT PROCEDURE

POLICY: #205

ORIGINAL DATE: 9/92

REVISION DATES: 1/93

APPROVED BY:



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### 1. Purpose

To set forth the procedure to be followed before any property transaction requiring the city to accept title is taken to the City Council for action. This procedure is required by the attached resolution.

### 2. Policy

- 2.1 The city inherits or acquires property in the course of conducting city business. In order to prevent future liability caused by environmental contamination and to ensure the protection of the environment, a Phase I Environmental Site Assessment may or may not be necessary before accepting title for any new property.
- 2.2 A City Property Acquisition Team will be established to determine if a Phase I Environmental Assessment will be necessary for the property to be acquired. The Team will consist of a member from the Attorney's Office and other members appointed by the City Administrator.

### 3. Procedure

- 3.1 The department attempting to acquire a parcel of property will present pertinent data to the Team for their review and recommendation regarding the potential contamination of the property.
- 3.2 The Team may require a Phase I Environmental Assessment be performed to assess the potential for contamination on the property. The Team will retain an environmental consulting firm to conduct a Phase I Environmental Assessment according to contractual specifications. Cost of the Phase I Environmental Assessment will be the responsibility of the individual department.
- 3.3 All resolutions to City Council for the acceptance of newly acquired property will note in the attached documentation that approval from the Team has been obtained.

**RESOLUTION ESTABLISHING A POLICY TO  
CONDUCT ENVIRONMENTAL SITE ASSESSMENTS OF  
POTENTIAL CITY PROPERTY**

WHEREAS, the City of Ann Arbor acquires property in the course of conducting City business, and it is prudent to perform necessary environmental analysis on said properties in order to protect various interests in the city; and

WHEREAS, the Mayor and City Council directed the City Administrator to prepare a policy for governing procedures to conduct an environmental site assessment before obtaining or accepting title for any property; and

NOW, THEREFORE BE IT RESOLVED, that the City Council approves the Environmental Site Assessment Policy dated December 16, 1991.

D-13-126

## ENVIRONMENTAL SITE ASSESSMENT POLICY

It is important to realize that almost every piece of industrial or commercial real estate and most agricultural properties will have some environmental contamination. The key is to find it and negotiate the clean up terms as part of the real estate transaction whenever feasible.

The City of Ann Arbor often inherits or acquires property in the course of conducting City business. In order to prevent future liability caused by environmental contamination and to insure the protection of the environment, an environmental site assessment shall be completed by the relevant city department before accepting title for any property.

At a minimum, the relevant city department should take the following steps and draft a preliminary assessment report for the City Administrator before any property transaction is taken to the City Council for action:

1. A physical site inspection to determine visible liabilities on the property and a review of available aerial photographs;
2. A historical records review to determine, within the content of public information sources, any unseen liabilities. This would include a review of the chain of title for the past 50 years to determine past ownership and use;
3. A review of federal, state and local government agency records for any release of hazardous materials and permitted activities, e.g., searching DNR records or well log information from the County Health Department;
4. Interview neighboring property owners to determine past management practices which may have contaminated both properties or contaminated the groundwater such as the use of petroleum products, organic chemicals, pesticides or other hazardous substances.

If the preliminary assessment report from the relevant department indicates any potential contamination then the City Administration shall evaluate the property more thoroughly by contracting for an environmental site assessment before closing a real estate transaction. A qualified contractor shall be hired to perform the environmental site assessments for the City of Ann Arbor whenever the City Administrator deems necessary.

Environmental site assessments should be appropriate for the type of property under consideration and recognize the normal budgetary constraints of the relevant department. The scope of services and the estimated cost of an environmental site assessment should be negotiated by the City Administration.

This policy may be waived in cases where, in the judgement of the City Administrator, an environmental site assessment is not necessary. Such a waiver shall be noted in the Council resolution regarding that real estate transaction.

12/16/92

D-13-127