

Brownfield Redevelopment

Presented to Traverse City Commission

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Presentation

- Benefits to City and Community
- Process for Brownfield Plan Approval
- Process for Implementation of Plan
- Local Site Remediation Fund (LSRF)
- Funding

Current Benefits To City Taxpayers With Having County Brownfield

- ✓ No City general fund commitment to program
- ✓ Increased tax base without contributing local tax
- ✓ Increased tax base without contributing staff time
- ✓ No Duplication of Service
- ✓ Use of DEQ loans for city projects without committing City's full faith and credit; County provides full faith and credit
- ✓ Use of county Brownfield Local Site Remediation Fund

Benefits to City Taxpayers

- Example River's Edge

Initial Taxable Value (1998) \$434,621

Taxable Value (2007) \$17,430,763

Additional Local Tax realized by City
(DDA TIF 2 District) 1999 to 2007: **\$1,900,000**

Benefits For county-wide Authority

- ✓ Clean-up of environmental issues since 1998
- ✓ Protecting the watershed
- ✓ No duplication of service
- ✓ Opportunity for collaboration of funding
 1. County Local Site Remediation Fund
 2. County Land Bank Authority
 3. County Economic Development Revolving Loan Fund
 4. EPA funding (Federal)
 5. State Funding

Benefits for county-wide Authority

- ✓ Knowledge of staff
- ✓ Integrated Regional Planning
- ✓ Reduction of Sprawl through infill development
- ✓ Provides local control of environmental clean-up of sites and priority control---Local Site Remediation Fund.

Process for Approval for Projects Within City

1. Brownfield Plan is presented to BRA
 - Within Brownfield Plan five primary factors:
 - ✓ Is Property eligible
 - ✓ Environmental Issues Surrounding property
 - ✓ Eligible activities being requested
 - ✓ Amount of tax capture being requested
 - ✓ Estimated length of tax capture
2. If approved by BRA concurrence is required by City Commission

Process for Approval For Projects Within City (Cont.)

3. City Commission considers brownfield plan. If not concurred with, plan cannot move forward. If concurred with plan moves to County Board for public hearing
4. County Board of Commissioners holds public hearing. If not approved, plan cannot move forward. If approved plan is considered project.

City's Participation in Process

- When Project is presented City can:
 1. Concur with plan as presented.
 2. Make changes and refer back to BRA
 3. Deny

Brownfield Authority is a recommending body only, must receive concurrence and approval from City and County.

Process for Implementation

- With approvals Developer submits workplan consistent with brownfield plan to the BRA.
- Workplan is submitted to:
 - Department of Environmental Quality (DEQ) for clean-up work
 - Michigan Economic Growth Authority (MEGA) for infrastructure work
 - Workplan must receive DEQ and/or MEGA approval before work can begin.



Before



After

Local Site Remediation Fund

- Repayment is completed to Developer
 - Legislation offers availability to begin LSRF prior to repaying Developer
- Capture State taxes for 5 years after repayment **or** up to the amount approved by DEQ for approved activities
- Capture of local taxes for 5 years after completion of repayment to Developer (local tax in downtown projects are TBISD only due to DDA district)

City Projects Using county-wide Local Site Remediation Funding

- \$46,000 City Assessment of Boot Lake
- \$312,000 for Grand Traverse Commons
(Building 50)

No local City taxes contributed to fund

Administrative Funding

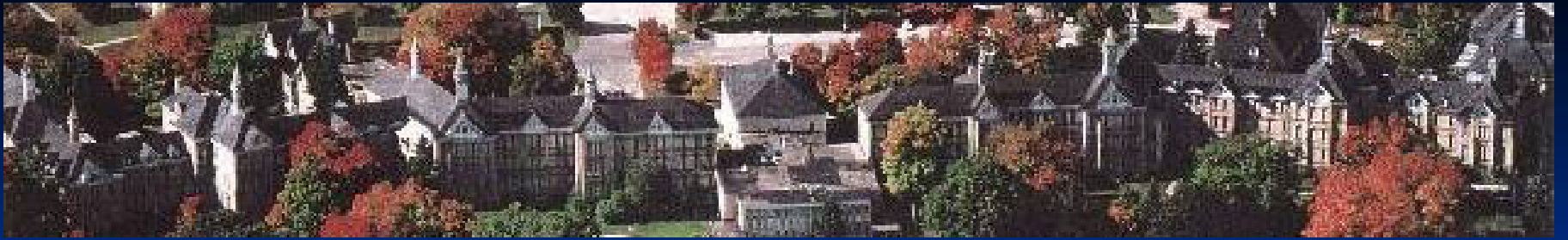
County Operation

Start-Up Costs:

- 1998 – 2003: staff provided by County general fund
- 2004 – present: staff provided by County general fund and administrative fund
- 1998 – 2003: Attorney, Construction Manager and cost for DEQ and MEGA came from County General Fund
- 2004 – present: Attorney fees covered by Developer upfront costs with administrative fund paying general attorney.

Continuation of Successful Program

- Participation by City Commissioners on BRA with Commission members on Authority
- More communication between Authority and Commission
- County-wide cooperation to continue environmental clean-up and redevelopment.
- Have a direct conduit between BRA and City.



Before



After