



“Brownfield” Redevelopment Incentives

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Definition: “Brownfield” Site

- General
 - “Real property, expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance pollutant, or contaminant”
(USEPA, HUD)
- Specific to Particular Government Programs
 - Hazardous substance > criteria
 - “Functionally obsolete”
 - Poses physical hazard



Governmental Brownfield Incentives

- Grants; loans; tax abatement, capture and credits
- Magnitude, type and requirements vary by jurisdiction
- Require local government involvement



Key Brownfield Redevelopment Incentives

- TIF – increased state & local property tax revenue generated by new value of property captured and used to offset certain redevelopment costs
- MBT Credit – reduction of state tax obligation through partial credit for certain redevelopment costs
- State Grants & Loans
- EPA Site Assessment & Cleanup Grants



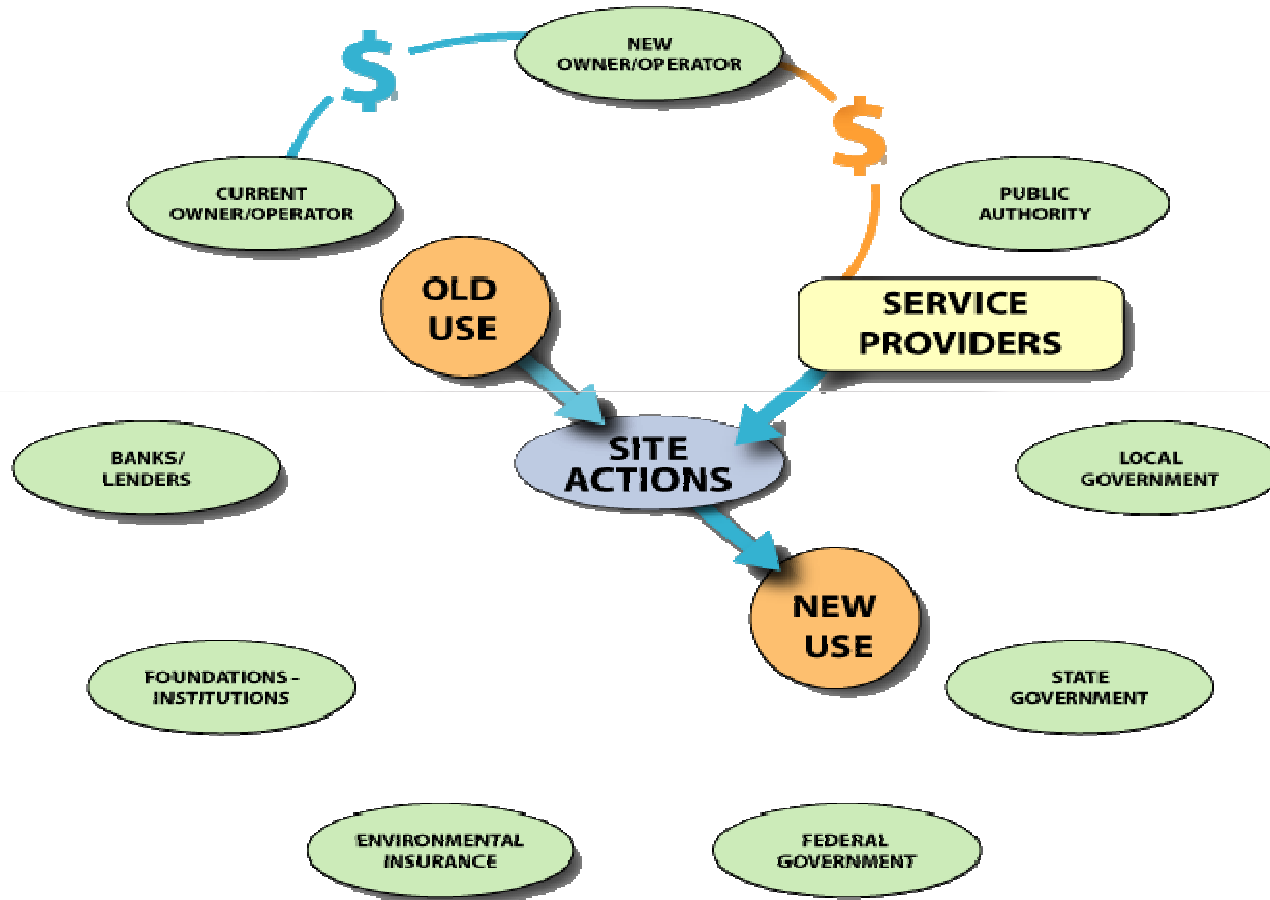
Typical Actions Needed for BF Project

- Assessments - Environmental & Property Conditions
- New Use Design
- Development/Funding Plan
- Property Preparation - Cleanup, Hazard Abatement, Demolition
- Infrastructure Updates – Installation of New Facilities
- Resolution of Environmental Liabilities



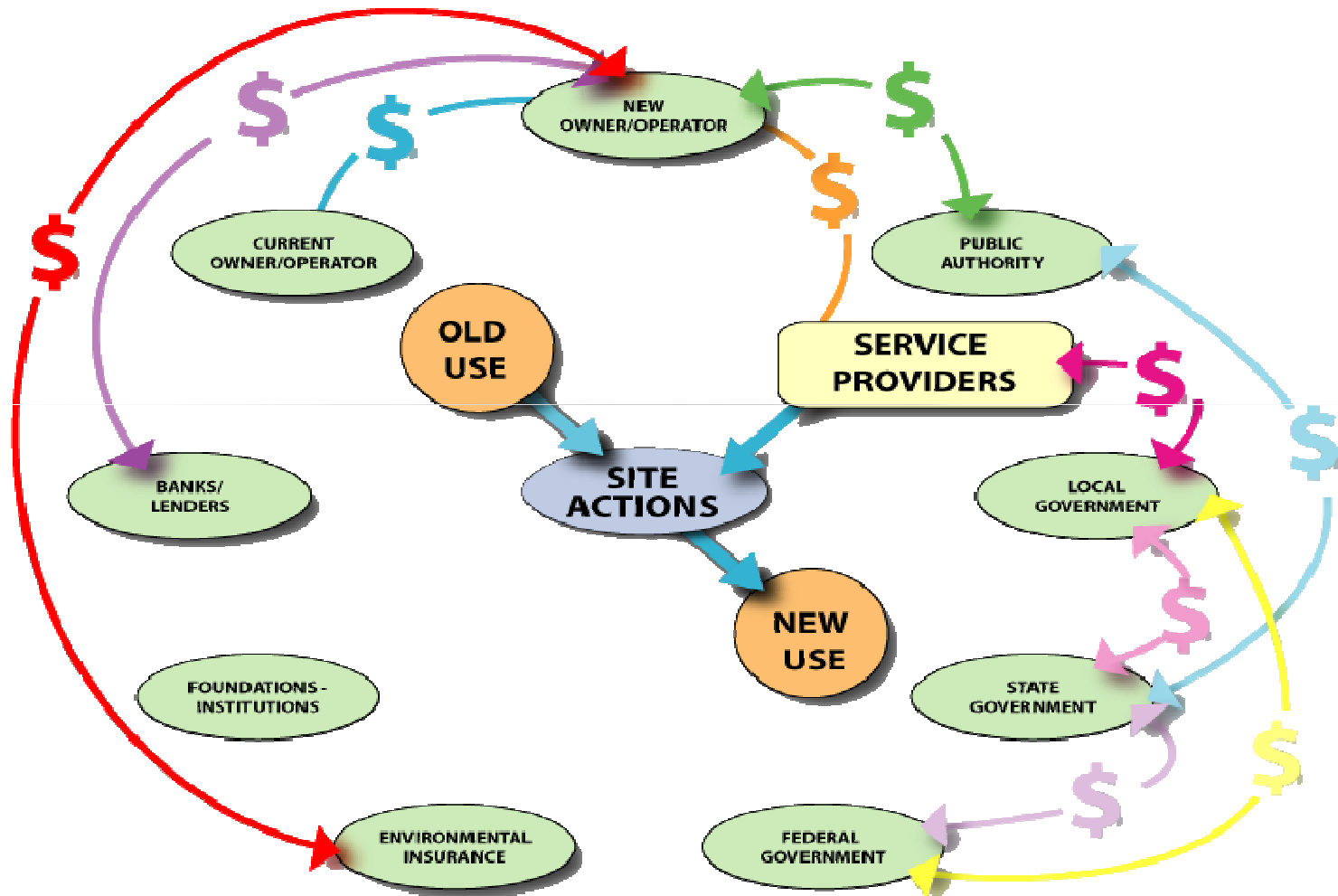
Traditional - "Simple" Project

(Handyman Special)





“Brownfield” Project – Added Complexity





ARRRRGHH!!





Finding Funds & Connecting the Pieces - Use of Project Specific Worksheet

		<u>Potential Funding Sources</u>					
		Owner	Buyer	Local Government	State Government	Federal Government	Other
Project Tasks	Estimated Cost						
Environmental Assessment		✓	✓	✓	✓	✓	
Property Assessment		✓	✓				
Development Plan		✓	✓				
Development Design		✓	✓				
Site Preparations:							
- Cleanup		✓	✓	✓	✓	✓	✓
- Demolition		✓	✓	✓	✓	✓	
- Utilities		✓	✓		✓	✓	✓
Remodeling/New Building		✓	✓				✓



Contacts - Resources

- Local Economic Development Offices & Staff
- MEDC – www.themedc.org/brownfields
- MDNRE – www.michigan.gov/deqbrownfields
- USEPA - www.epa.gov/brownfields
- Gary Klepper, CRA - gklepper@CRAworld.com