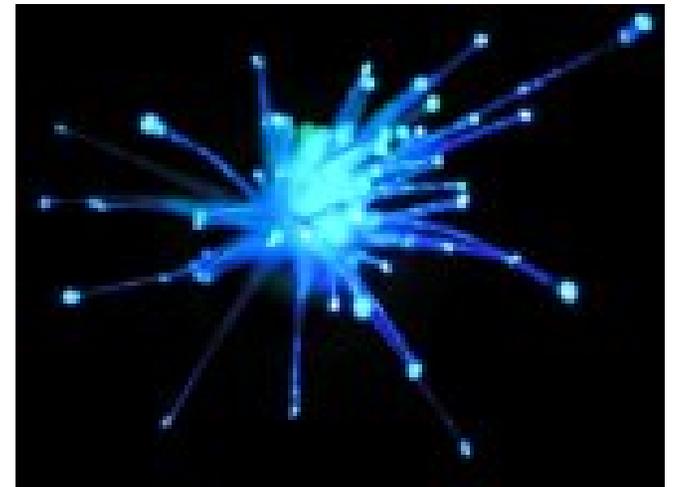


Brownfield Redevelopment Authority (BRA) Roles & Responsibilities (or Privileges & Possibilities)

Marc Hatton,
City of Kalamazoo

In the Beginning...

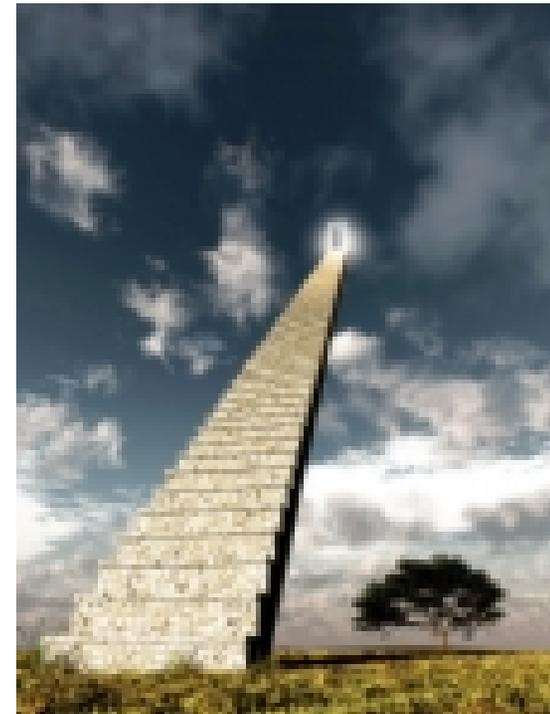
The Brownfield Redevelopment Financing Act, 1996, Act 381, as amended (Act 381), allows municipalities to establish Brownfield Redevelopment Authorities (BRAs).



General Steps to Establish a BRA

A willing Local Unit Government (LUG), then...

- Resolution of intent
- Notice of public hearing
- Public hearing
- Resolution establishing the Authority - vote of governing body
- File approved resolution w/ MI Secretary of State



BRA Board Designation



Could be:

- Board of directors of an economic development corporation
- Trustees of a board of a downtown development corporation
- Trustees of the board of a tax increment financing authority
- Trustees of the board of a local development financing authority
- The appointment of between 5 and 9 persons by the executive officer, followed by LUG approval



BRA Jurisdiction

A BRA can exercise its powers within its designated zones (based on the original legislation), or over any eligible property located within the municipality (based on the amended act). An authority established by a county can exercise its powers over eligible property within a city, village or township if the county if the city, village or township concur with the provisions of a brownfield plan.



BRA Entity

A BRA is a public body corporate that possesses all the powers necessary to carry out the purpose of its incorporation. The exercise by an authority of the powers conferred by the act is considered an essential governmental function and benefit to, and a legitimate public purpose of, the state, the authority, and the municipality or units.



Specific BRA Powers

- Employ staff and consultants;
- The municipality may assist the authority;
- Adopt, amend, and repeal bylaws to conduct its business;
- Incur costs and expend funds – eligible activities & more;
- Use the local site remediation revolving fund (LSRRF) for authorized purposes;
- Make and enter into contracts – lease, purchase agreements, land contracts, installment sales agreements, and loan agreements;
- Own, mortgage, convey, and dispose of land, real/personal property, rights/interest in property, grant or acquire licenses, easements and options to property;



Specific BRA Powers

- Acquire, maintain, repair, or operate devices necessary to ensure continued eligible activities on eligible property;
- Accept \$, property donations, labor, etc.;
- Study, develop, and prepare reports and plans;
- Procure insurance for property, assets or activities;
- Invest the money of the authority;
- Make loans and loan commitments;
- Borrow money and issue bonds and notes;
- Implement a brownfield plan, subject to all applicable rules;
- Do all other things necessary to achieve goals and purpose.



Board Make Up

- Vision/mission from governing body
- Brownfield issues are complex & blend many disciplines
- Programs should fit community needs
- Different approaches, ideas, & goals
- Application, selection, approval of board members
- Expertise
- Training
- Roles
- Board staff



Prospective Projects

What is the project? What is being asked for vs. received? Reasonable, given circumstances? If not you, who? Considerations:

- Tax-base enhancement/investment & job creation
- Reutilization of idle/under used property
- Environmental clean up or management
- Targeted redevelopment – specific community goals
- Community benefit/regional cooperation
- Economic gardening – grow & retain what you have
- Public/private partnerships
- Sustainability – program and/or other
- Municipal leadership



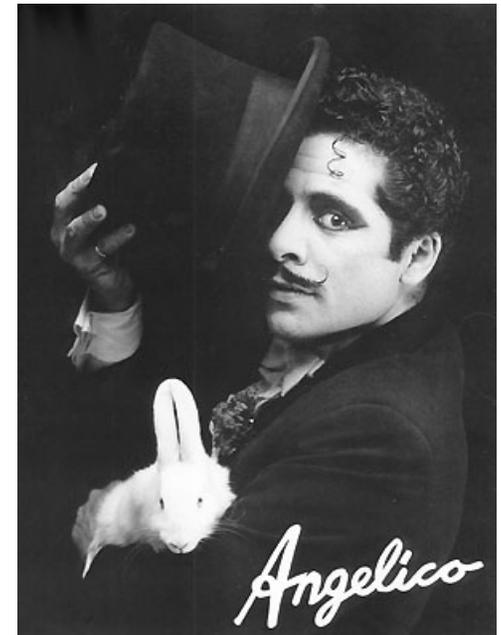
BRA Tools & Incentives

- Reimbursement for eligible activities through Tax Increment Financing (TIF)
 - ✓ Local taxes – BRA approval
 - ✓ School taxes – MEDC/DNRE approval through an Act 381 Work Plan
- Michigan Business Tax (MBT) credit
 - ✓ Minimum 12.5% of eligible investment
 - ✓ MEDC approval
- Other (grants, loans, tax abatements, etc.)

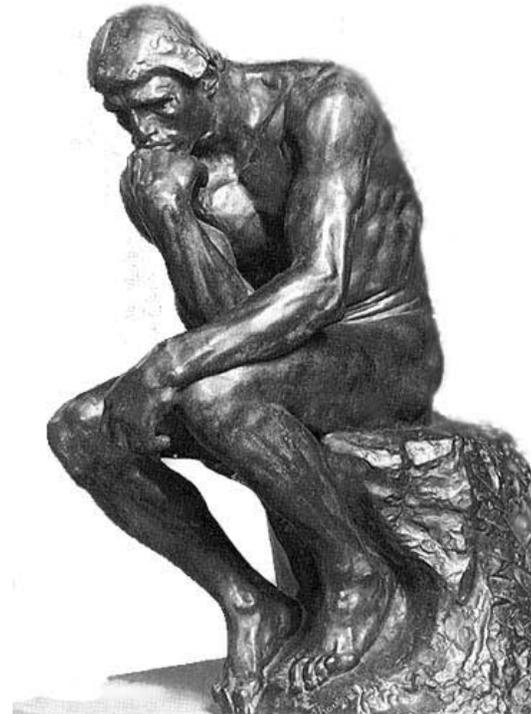


Association of BRAs - ABRA

- No organization whose primary mission is to represent BRAs
- The need for BRAs to help shape brownfield program, legislation, guidelines, & practices
- Coalition of BRAs that help one another
- Enhancement of BRA role in redevelopment process
- Proposed non-profit who's structure and by laws are under development
- Handout



Questions?



Thank You DNRE & MEDC!

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