



BROWNFIELD PRESENTATION

Consultant Workshops
Department of Environmental Quality
Remediation and Redevelopment Division (RRD)

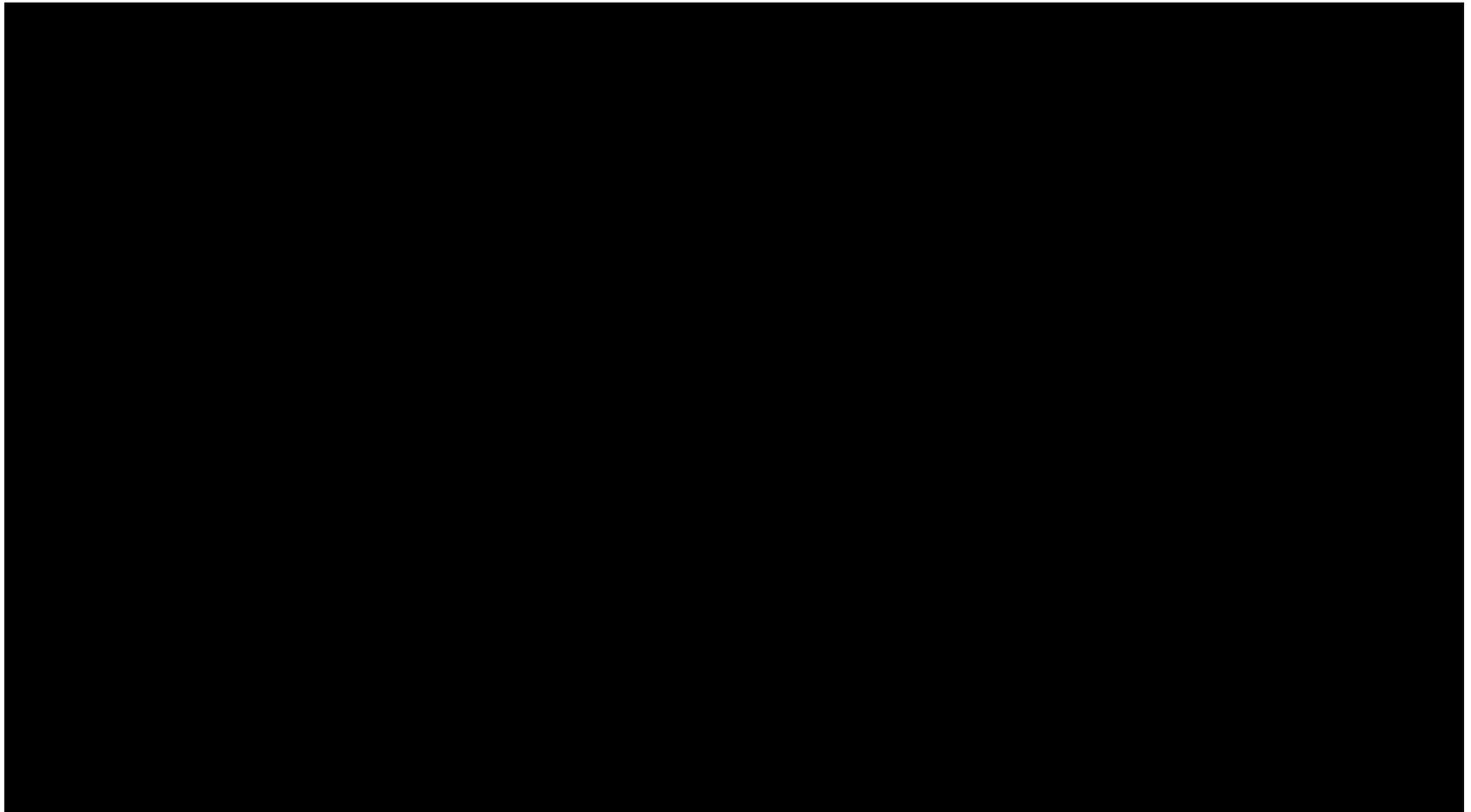


TODAY'S PRESENTATION

- How can the DEQ **partner** with your company or community?
- How can the DEQ support your efforts to **protect** your local environment?
- How can the DEQ help **revitalize** your community?

BROWNFIELD FLIP

MICHIGAN
BROWNFIELD
REDEVELOPMENT
PROGRAM



HOW CAN THE DEQ PARTNER WITH YOUR COMPANY OR COMMUNITY?

- DEQ incentives are:
 - Grants
 - Loans
 - Tax Increment Financing (TIF)
- Grants, Loans, and TIF pay for environmental costs that help:
 - Protect public health and the environment
 - Revitalize local economies

HOW CAN THE DEQ PARTNER WITH YOUR COMPANY OR COMMUNITY?

- Brownfield coordinators can
 - Provide technical assistance
 - Attend local and regional BRA, DDA, council, and planning meetings
 - Meet with communities and consultants
 - Participate in workshops and presentations
 - Hold hands through the incentives process
 - Connect you with other DEQ and state agency staff

DEQ BROWNFIELD GRANTS

- 1 grant* of up to \$1 million
- Must have a secure development project
- Local government or local Brownfield Redevelopment Authority (BRA) has to be the applicant
- Developers, consultants can NOT apply
- Grants and loans are currently available only for UST-related contamination

DEQ BROWNFIELD LOANS

- 1 loan* of up to \$1 million (for UST projects)
- Low interest – 1.5% rate
- Payback starts five years after the environmental work begins – interest-free!
- Local government or local Brownfield Redevelopment Authority (BRA) has to be the applicant
- Developers, consultants can NOT apply
- Why use a loan instead of a grant?

TAX INCREMENT FINANCING (TIF) HIGHLIGHTS

- TIF repays whoever fronts the money for eligible costs
 - Could be the local government
 - Could be the developer

TAX INCREMENT FINANCING (TIF) BENEFITS ANALYSIS

- What is TIF?
- Where does TIF come from?
- How does TIF work?
- Questions to consider

LOCAL ROLE IN A BROWNFIELD PROJECT

- Decide/prioritize project opportunities
- Apply for grant or loan
- Create a BRA if TIF will be used, collect TIF
- You don't have to own the property

LANSING CITY MARKET

\$1,000,000 DEQ BROWNFIELD REDEVELOPMENT GRANT

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- Former uses: Lansing Iron and Engine Works; streetcar storage and repair; gas station, auto repair; chemical storage; foundry, galvanizing plant; sheet metal shop
- Occupied by Lansing City Market from 1938-2009
- Contaminated with arsenic and petroleum
- \$1 million DEQ brownfield grant paid for demolition, contaminated soil removal, contaminated groundwater disposal, VI barrier under apartments

LANSING CITY MARKET

\$1,000,000 DEQ BROWNFIELD REDEVELOPMENT GRANT

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- New City Market and apartments
- Upgraded market sells local products
- Apartments for people looking for urban living
- \$28 million in private investment
- 50 full-time and 20 part-time new jobs
- State Equalized Value increased from \$509,200 to \$2,508,000 (2016)
- Removed 23,377 tons of contaminated soil and debris, and 67,400 gallons of contaminated groundwater
- Vapor mitigation system installed under the residential building



ACCIDENT FUND, LANSING

\$3,197,970 CMI WATERFRONT GRANT

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- Across the river from City Market
- Former Lansing Board of Water and Light coal-fired power plant operated for over 50 years
- The riverfront property had been filled with contaminated materials. Fill material ranged between 5 and 20 feet below the ground surface.
- DEQ grant and EPA Revolving Loan were used to remove and dispose of contaminated soil on both sides of the river, clean up sediment contaminated by old coal piles, and treat and dispose of contaminated groundwater



**\$3,197,970 CMI waterfront
redevelopment grant**
**\$470,000 EPA Revolving Loan
Fund**
**\$24,000,000 in tax increment
financing**

ACCIDENT FUND, LANSING

\$3,197,970 CMI WATERFRONT GRANT

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- The renovated building is LEED Gold-certified and on the National Register of Historic Places

- State Equalized Value increased from \$2,190,500 (2009) to \$33,650,300 (2016)
- \$182,000,000 in private investment
- 500 jobs created and 600 jobs retained
- 1,867-foot pedestrian walkway with benches, tables, lighting, steel railings, landscaping, and signage constructed; seawall restored
- 10,000 cubic yards of contaminated soil removed and river sediment cleaned up
- 268,000 gallons of contaminated groundwater cleaned up

BRIDGE AND TURNER, GRAND RAPIDS

RPF, DEQ AND MSF TIF, MSF LOAN

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- Former uses: gas station, automobile service and repair shop and painting business, retail
- Three underground storage tanks were removed from the gas station in 1987, but soil contaminated with leaked gasoline compounds was left in place
- When a developer decided to purchase the site in 2014, the DEQ used funding from the RPF to remove petroleum-contaminated soil
- The DEQ approved TIF for contaminated fill removal
- When the contaminated soil and fill were removed, the public health risk from exposure to contamination and gasoline vapors was eliminated, reducing construction costs
- MSF approved other brownfield incentives



BRIDGE AND TURNER, GRAND RAPIDS

RPF, DEQ AND MSF TIF, MSF LOAN

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\$176,571 DEQ Refined Petroleum Fund
\$1,215,875 DEQ TIF
\$2,126,175 Michigan Strategic Fund TIF
\$2,500,000 Michigan Strategic Fund Loan

- Brew pub and restaurant, offices, retail, residential
- State Equalized Value increased from \$282,900 to \$5,931,300 (2016)
- \$22,500,000 in private investment
- 144 new jobs
- 31,500 tons of contaminated soil removed
- 5,300 square feet of blighted buildings demolished
- 95,556 square feet in new construction

DEQ SUGGESTIONS FOR YOUR COMPANY OR COMMUNITY

- Early consult with DEQ
- Applications to complete
- Timeline and what to expect

QUESTIONS?

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