MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

EGLE Brownfield Program Updates

DAN GOUGH & JANET MICHALUK REMEDIATION AND REDEVELOPMENT DIVISION BROWNFIELD ASSESSMENT AND REDEVELOPMENT SECTION

General Program Updates

381 Portal Data Verification
Methane Resource
FY-25 Remaining Funding
Timeline Resource
BAER Unit Update





National Brownfields Conference

- August 5 8, 2025
- Chicago, IL
- o <u>https://gobrownfields.org/</u>

Brownfields 2025 Sustainable Communities Start Here



Act 381 Data Verification

18/20 Responses received

- Thank you!
- Lessons learned





Methane Resource Update

- Important to know the site
- A good CSM is imperative
 - <u>https://www.michigan.gov/egle/-</u> /media/Project/Websites/egle/Docu ments/Programs/RRD/Remediation/ Resources/Development-On-or-Near-Methane-

<u>Sources.pdf?rev=888b7691a2894bb1</u> <u>bd15abb2f996a31f&hash=75B6C2B9</u> <u>80F1D72CC38141EAF8F4F8CA</u>





Brownfield Program Funding Update

Grants open yearround
FY25 Closing in early July





Typical Timelines

- Timelines for each funding source
 - Act 381
 - Grants and Loans
 - Brownfield Site Assessment





Act 381

https://www.michigan.gov/egle/about/organization/remediation-and-redevelopment/brownfields/act-381-tax-incrementfinancing





Grants and Loans

https://www.michigan.gov/egle/about/organization/remediation-and-redevelopment/brownfields/grants-and-loans





Brownfield Site Assessment

https://www.michigan.gov/egle/about/organization/remediation-and-redevelopment/brownfields/brownfield-siteassessments





The BAER Essentials





Incremental Sampling Methodology Checklist

https://www.michigan.gov/egle/-/media/Project/Websites/egle/Documents/Programs/RRD/Brownfields/Incremental-Sampling-Checklist.pdf?rev=715a8085314a4feb856d33cbdf5f6a01&hash=1B9F756DE1BF287204E3AA58F8B4699C

MICHIGAN BROWNFIELD REDEVELOPMENT PROGRAM	EGLE MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY Incremental Sampling Methodology Data Quality Objective Process at Brownfield Sites	
This checklist should be completed and supplied to the Brownfield Coordinator/Environmental Review Staff for discussion with supporting reports, figures, tables, etc. <i>prior to execution of sample collection</i> . Process Checklist Purpose (check only one per form) Risk Assessment Remediation Efficiency		
Step 1 – Define the Type of Facility: Historic use: Current use: Proposed use:	problem	
Pathway(s) to be evalu	ated: Direct Contact Drinking Water	





MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

DAN GOUGH, BROWNFIELD COORDINATOR | 517-281-8253 JANET MICHALUK, BAER UNIT SUPERVISOR | 517-643-0314

800-662-9278 | www.Michigan.gov/EGLE

B N SHDA

HOUSING TAX INCREMENT FINANCING PROGRAM

Housing TIF – MiBrownfield Update

June 25th, 2025

PRESENTERS:

Josh Campbell, HTIF Analyst, MSHDA

Tony Lentych, Chief Housing Investment Officer, MSHDA

Chad Benson, Director of Development, MSHDA

2024 Updates

Facts about the 2024 Program Year:

- 1. 11 Work Plans submitted
- 2. 10 Work Plans Conditionally Approved
- 3. Average Years of Tax Capture Approved = 23.4 Years
- 4. Average Approved Tax Capture = \$5,371,577
- 5. Average project size = **81 units**
- 6. Average number of units below 120% AMI = **51 units**
- 7. Average Total Development Costs = \$19,092,653

2025 1st Quarter Report

Facts about 2025 Q1

- 1. 7 Work Plans submitted
- 2. 5 Work Plans Conditionally Approved
- 3. Average Years of **Tax Capture** Approved = **22 Years**
- 4. Average Approved Tax Capture = \$5,010,461
- 5. Average project size = **47 units**
- 6. Average number of units below 120% AMI = 24 units
- 7. Average Total Development Costs = **\$15,072,043**

2025 2nd Quarter Report

Facts about 2025 Q2

- 1. 14 Work Plans submitted
- 2. 10 Work Plans Conditionally Approved
- 3. Average Years of **Tax Capture** Approved = **24 Years**
- 4. Average Approved Tax Capture = \$4,265,459
- 5. Average project size = **78 units**
- 6. Average number of units below 120% AMI = **39 units**
- 7. Average Total Development Costs = \$24,630,698*

- **Timeline** 7 months
 - Public notice received 11/22/23, WP received 6/12/2024 and conditionally approved 6/26/2024
- Development Structure
 - Total of 144 individual suites spread across 48 townhomes
 - 98 suites @ 120% AMI or below
- Activities & Financing
 - Utilized Site Prep and financing gap activities
 - PRL calculation use MSHDA control rents with MSHDA structured income and rent limits
 - 30-year tax capture up to \$10,275,642
 - TIF approval leveraged for First MSHDA TIF Loan

- **Timeline** a year and 5 months
 - Public notice received 12/13/23, WP received 3/17/25 and conditionally approved 4/2/2025
- Development Structure
 - Total of 35 units mixed for sale and rental
 - 15 rental units @ 120% AMI
 - Remaining mixed condos and for sale units for sale at market rate
- Activities & Financing
 - Demo, abatement, infrastructure, site prep, safety improvements, housing Gap activities
 - PRL calculation use MSHDA control rents with MSHDA structured income and rent limits
 - \$10,062,732 tax capture up to 30 years through project cash flow

- **Timeline** 4 months
 - Public notice received 7/18/24, WP received 11/19/24 and conditionally approved 11/21/2024
- Development Structure
 - 27 for sale units all restricted 80% or 100% AMI
- Activities & Financing
 - Housing Gap activity only
 - Affordable mortgage based on 80% and 120% AMI with interest rate, tax, insurance, and HOA Assumptions.
 - Costs estimated through in-depth proforma/development cost review.
 - \$2,115,579 tax capture up to 30 years through project cash flow

- Timeline 8 months
 - Public notice received 9/23/24, WP received 3/27/25 and conditionally approved 5/13/25
- Development Structure
 - 170 total rental units
 - 35 units restricted to 100% AMI or below
- Activities & Financing
 - Demo, infrastructure(public and private), site prep., housing gap activities
 - PRL calc. used lesser control rents to align with the market and MSHDA income and Rent limits
 - \$10,969,714 tax capture up to 14 years through project cash flow

HELPFUL HINTS

- A Notice of Public Hearing must be sent to MSHDA no less than 10 days prior, preferably to <u>MSHDA-TIF@Michigan.gov</u>
- 2. The Development Cost Budget (Sources/Uses) must be included with the submission from the BRA to verify activities are required for the project.
- 3. Site blight designation must be disclosed.
- 4. When in doubt just ask!

Common Conditions

- 1. Recorded noticed of Development or Reimbursement agreement
- 2. Environmental certification affidavit
- 3. Management Agent training
- 4. Documentation to support developer financial and economic soundness
- 5. Blight status of site
- 6. Firm Commitment or approval of other state or local incentives
- 7. Site ownership documentation and/or clarity

QUESTIONS?

Please send your **Questions or Comments** to:

<u>mshda-tif@michigan.gov</u>

For more Information & Updates, please visit:

MSHDA Housing Tax Increment Financing (TIF) Program (michigan.gov)

THANK YOU FOR YOUR TIME TODAY!

