



# Brownfield Re-Development

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Brownfields are abandoned, idled, or underused industrial or commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination.

Brownfield redevelopment involves several different participants: the property owner, developer, Brownfield Redevelopment Authority (BRA), local and county governmental agencies, the Michigan Department of Environmental Quality (DEQ) and the Michigan Economic Development Corporation (MEDC).

In the State of Michigan the Brownfield Redevelopment Financing Act, 1996 PA 381 of 1996, as amended (Act 381), established a method to finance environmental response activities at contaminated properties. The Act provides BRAs multiple tools to encourage redevelopment, including tax increment financing, revolving loan funds, and single business tax credits.

The following is the process for redeveloping a brownfield site.

1. Contact staff with the Washtenaw County Brownfield Program to determine if there is any funding available at the County, State or Federal Level to assist with the costs of the site assessment work.
2. Do site assessment work to determine if the property is contaminated, and if so, the level of contamination.
3. Complete a Baseline Environmental Assessment (BEA) within 45 days of taking Title to the property to remove any liability for the contamination currently on the site and to be able to apply for incentives.
4. If pursuing Tax Increment Financing (TIF) or a Single Business Tax Credit (SBT) complete the Project Application found on the County Brownfield Program Website (<http://brownfields.ewashtenaw.org>). The completed application will be brought to the local jurisdiction to let them know that the developer wishes to create a brownfield plan to be reimbursed for the cost of cleaning up the site.
5. If the local jurisdiction approves the Project Application the developer will create a Brownfield Plan and submit it to the County to begin the approval process.
6. The Brownfield Plan must be approved by the local government, the BRA and the County Board of Commissioners.
7. When approved the developer and the environmental consultants create an Act 381 Work Plan. This plan details the procedures for each of the eligible activities included in the approved Brownfield Plan. Once created, the Work Plan is submitted to the State for review and approval.
8. Once the Work Plan is approved work can begin. Any eligible activities completed prior to the approval of the Work Plan CANNOT be reimbursed.

Financial incentives available to developers include:

1. **Tax Increment Financing (TIF)**, which allows a developer to be reimbursed for the eligible environmental costs related to a project using the incremental increase in the taxes on the property resulting from the new development.
2. **Brownfield Single Business Tax Credits (SBT)** provide a tax credit for eligible redevelopment investments on brownfield property. The credit is against the Single Business Tax liability of the developer.
3. **Assessment Grants** are funds available to assist in the Phase I and Phase II Environmental Site Assessments (ESAs) necessary to determine if a site is contaminated, and if so, the extent of the contamination. The County Brownfield Program staff will be able to tell a developer if there are any of these type of funds available for their project.
4. **Revolving Loan Funds** assist with the up-front costs of clean-up on a brownfield site by providing low interest loans for governmental entities, private developers, and non-profit organizations.
5. **State Clean-up Grants and Loans** provide funding to local units of government and other public bodies to investigate and remediate known sites of environmental contamination.