



# Resources for Redevelopment

Board of Commissioners  
Committee of the Whole  
May 15, 2018



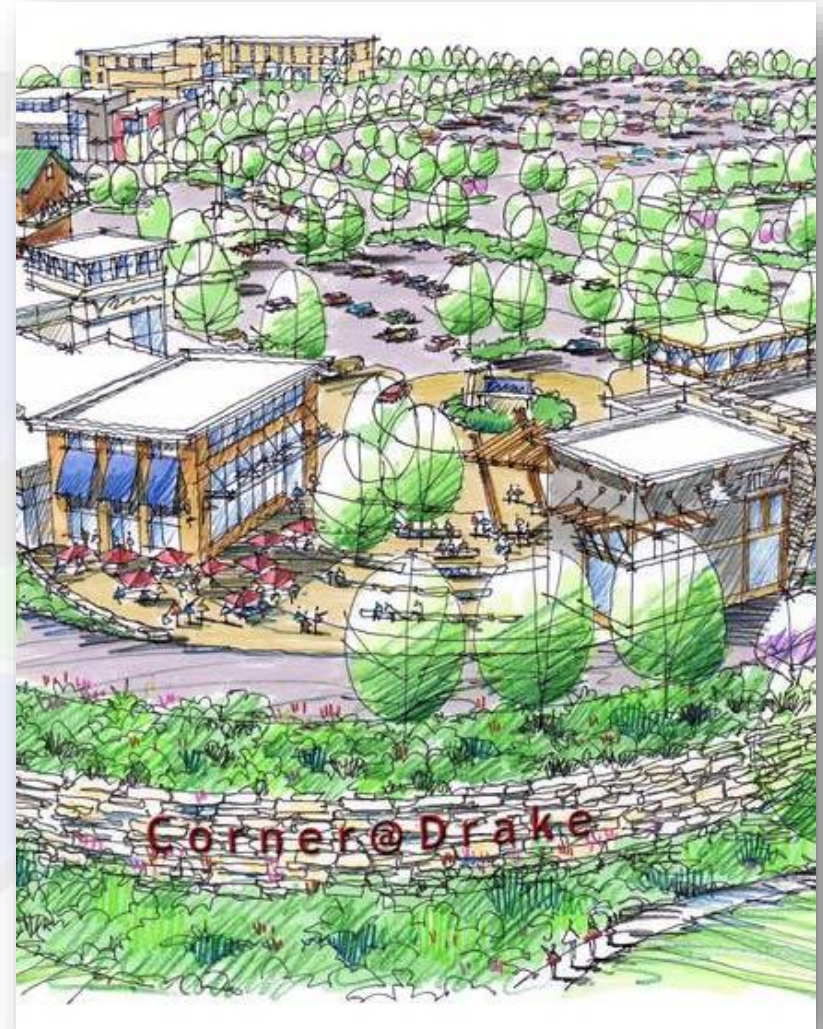
**Planning & Development Department**  
**County Brownfield Redevelopment Authority**





## Presentation Outline

- ▶ What are “brownfields”?
- ▶ What is the Kalamazoo County Brownfield Redevelopment Authority (KCBRA)?
- ▶ Overview of EPA Brownfield Assessment Grants
- ▶ Additional resources beyond the EPA assessment grant
- ▶ Brownfield Plans
- ▶ Project application process
- ▶ Project Examples
- ▶ Grant Dashboards
- ▶ Project Location Map
- ▶ Wrap Up/Q&A







## What are Brownfields? – U.S. EPA Definition

Real property, the expansion, redevelopment, or reuse of which **may** be complicated by the presence or **potential** presence of a hazardous substance, pollutant or contaminant.





## What are Brownfields? –Michigan Definition

Facility:  
Contaminated



Functionally Obsolete: Can't  
be used for its original purpose



Blighted:  
Public nuisance, dangerous, eyesore



Historic Resource:  
Historic building or structure







# Major Benefits of Brownfield Redevelopment

- ▶ Increase investment, jobs, and revenue
- ▶ Reuse existing infrastructure
- ▶ Encourage redevelopment
- ▶ Recovery of tax base
- ▶ Improve value of surrounding property
- ▶ Preserve historic or cultural community icons
- ▶ Environmental clean-up
- ▶ Reduce sprawl

Before



After





# What is the Kalamazoo County Brownfield Redevelopment Authority?

- ▶ A County-wide redevelopment authority created in 2002 as allowed by PA 381.
- ▶ The KCBRA Board also serves on the County's Economic Development Corporation Board and collaborates as needed.
- ▶ Focused on facilitating and supporting the redevelopment of brownfield sites throughout the County.
- ▶ The 11-member board is selected by the KCBOC.
- ▶ The KCBRA has become a major resource and partner for positive economic change in Kalamazoo County.







## Statutory Role of KCBRA

- ▶ Michigan Act 381 of 1996, as amended (Brownfield Redevelopment Financing Act)
  - Primary law that dictates the makeup and powers of a Brownfield Redevelopment Authority (BRA)
  - Defines:
    - Eligible properties & activities
    - Rules related to tax increment capture through a Brownfield Plan
    - How to interact with the regulatory agencies
    - Relationships with Local Units of Government
    - How to interact with the local units of government and the general public
    - Local Brownfield Revolving Fund - LBRF





# Overview of the EPA Brownfield Assessment Grant

- ▶ EPA awarded Kalamazoo County BRA \$400,000 Community-wide Brownfield Assessment Grant
  - \$200,000 – assess sites with suspected hazardous substance contamination
  - \$200,000 - assess sites with suspected petroleum contamination
  - The Community-Wide Grant also targets the northeast corner of the City of Kalamazoo that extends into Kalamazoo Township.
    - Northside Neighborhood (Northside Cultural Business District)
    - Two industrial corridors known as the Pitcher Street and King Highway corridors
  - Project Period October 1, 2016 to September 30, 2019







## What Activities can be EPA Grant Funded?

- ▶ Oversight of the County's Brownfield Site Inventory and Prioritization Project
- ▶ Perform Phase I Environmental Site Assessments (ESA)
- ▶ Perform Phase II ESAs, Baseline Environmental Assessments (BEAs)
- ▶ Complete Brownfield Plans, Act 381 Work Plans (MDEQ/MSF) and Clean-Up Plans (not including clean-up costs)
- ▶ Community Outreach





## Where can you use the EPA Grant?

- ▶ Sites eligible for Grant use:
  - Sites throughout the County, where assessment will benefit the community
  - Knowledge of existing contamination is not necessary
  - Publicly or privately owned
  - Vacant or in use
  - Meets EPA eligibility requirements
  - Contaminated, Blighted, Functionally Obsolete, Historic Resource
- ▶ Sites Not Eligible for Grant Use:
  - National Priority List sites (Superfund) or Proposed NPL sites
  - Sites subject to EPA action
  - Property owned by U.S. Government







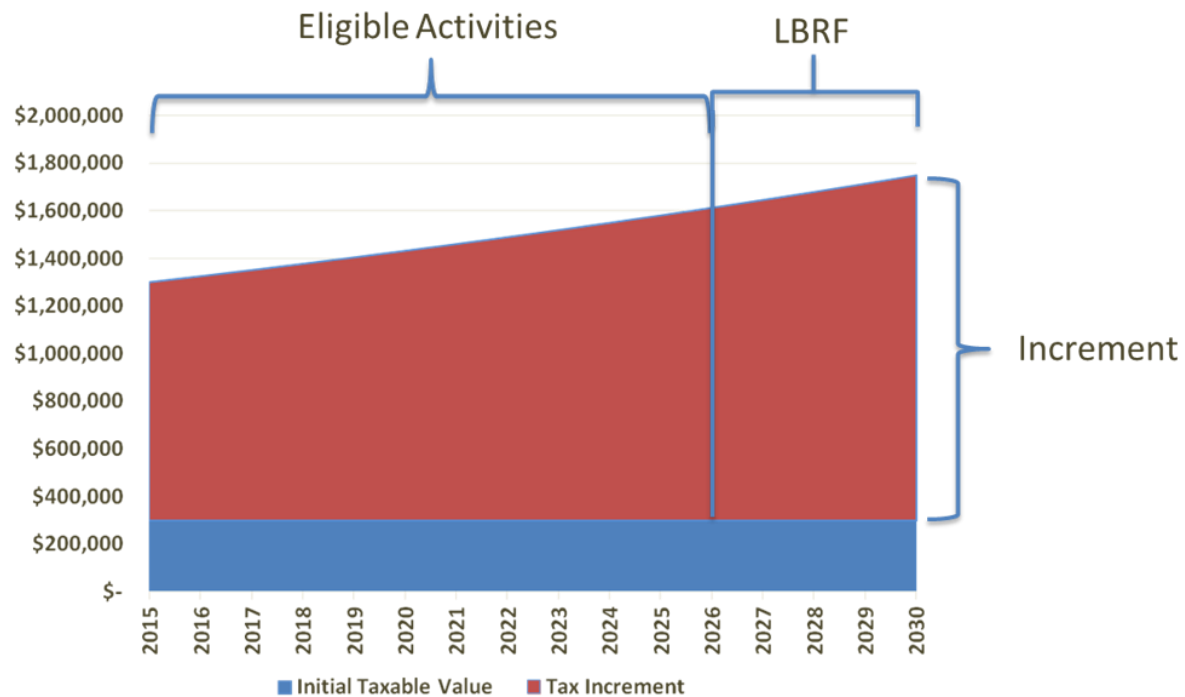
## Additional Resources Beyond the EPA Assessment Grant

- ▶ Brownfield Plans and Act 381 Work Plans support redevelopment:
  - Tax increment tool capturing new taxes from new investment on a property.
  - Allows for potential reimbursement of developer's expenditures.
- ▶ Future KCBRA Local Brownfield Revolving Fund
- ▶ MDEQ Grants and Loans





Tax increment = new taxable value – initial taxable value (based on new investment)







## Brownfield Plans

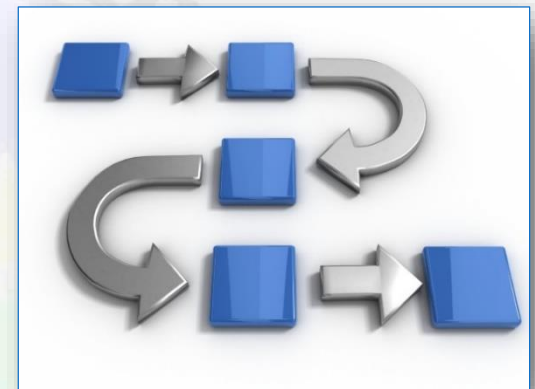
- ▶ Per pupil school funding is not affected when school tax millages are captured in a Brownfield Plan
- ▶ Interaction with other County, LUG, Library taxes and other debt/millages
- ▶ Reimburses eligible brownfield costs only if project creates tax increment from new investment and the taxes are paid
- ▶ Reimburses Authority expenses and funds LBRF for future projects throughout the County





## Project Application Process

- ▶ Project funding/support by the KCBRA on a case-by-case basis
- ▶ Criteria for project consideration includes:
  - Nature of project
  - Funding/support needed
  - Local unit of government support
  - Level of investment
  - Job creation
  - Availability and condition of infrastructure
  - Environmental issues at the site
  - Provides other benefits to the community



Two part application can be found online at

<http://www.kalcounty.com/directory/boards/board.php?board=9>







## Project Application Process

### ► Timing:

- KCBRA staff will respond to application within 10 business days
- KCBRA meets the fourth Thursday of the month
- EPA Grant funded due diligence completed within 4-6 weeks of KCBRA/EPA approval
- Brownfield Plan/Act 381 Work Plan projects:
  - approximately 60 to 90 days depending on approvals required (LUG Approval, Public Hearing and DEQ/MSF)
- Important to communicate timing requirements of project





## Project Example

### ► Metal Mechanics Project – Schoolcraft, MI

- Project Investment: ~\$1,400,000
- Project area: 9.8 acres
- Site contaminants: Volatile Organic Compounds
- Funding Sources:
  - EPA Assessment Grant
  - D & D Realty, LLC
  - Metal Mechanics, Inc.
- Partnerships:
  - Village of Schoolcraft
  - Kalamazoo County Brownfield Redevelopment Authority
  - Kalamazoo County







## Project Example

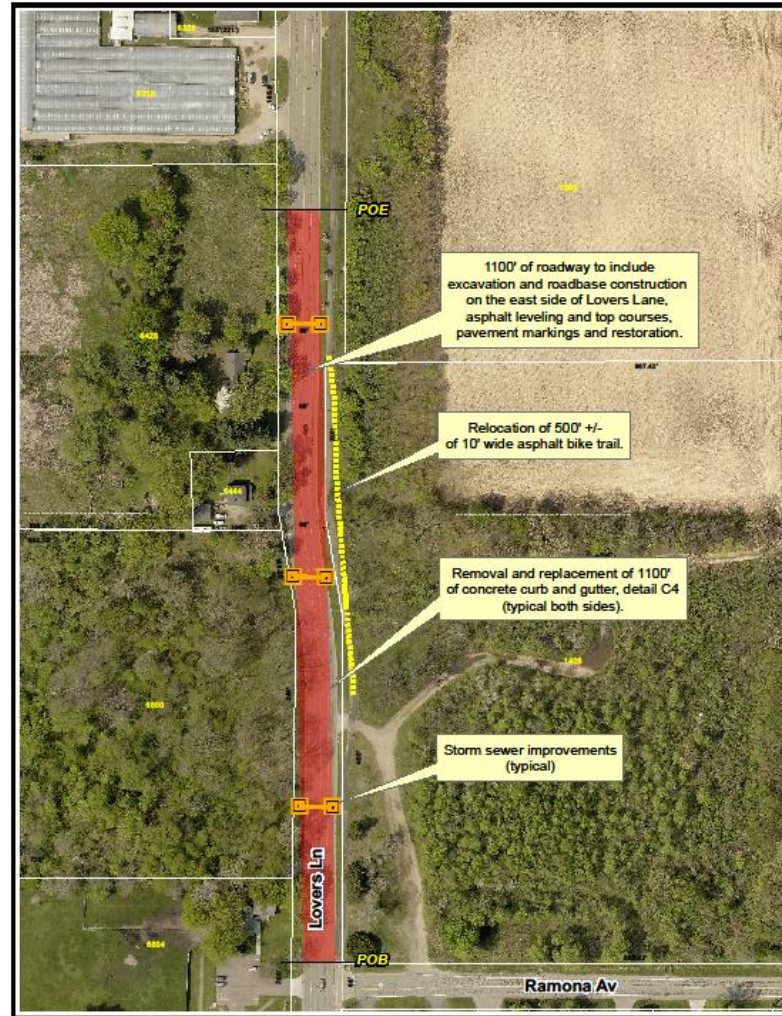
- ▶ Stryker Research and Development Project – Portage, MI
  - New 485,000 sq. ft. research and development complex
  - Total private investment – approx. \$200,000,000
  - New jobs – 105
  - Total tax increment reimbursement to Stryker – approx. \$6.6m
  - Total tax increment reimbursement to Portage for infrastructure improvements – approx. \$807,000
    - Streets and roads
    - Curb and gutter
    - Storm sewer improvements
  - KCBRA LBRF – approx. \$2.5m
  - Length of Brownfield Plan, approximately 6 year or less



Overall site plan:









## 2007–2010 Grant Dashboard

- ▶ EPA Assessment Grant Accomplishments
  - Assessed 8 sites in 5 communities
  - Addressed approximately 380 acres
  - Over 500 jobs created
  - Project investment leveraged
    - ➡ ~\$30,000,000







## 2016 – 2019 Grant Dashboard

### ▶ EPA Assessment Grant Accomplishments:

- 9 projects funded
- 6 communities benefiting from grant funds
- 103+ jobs retained
- 37–67+ jobs created
- Private investment leveraged

➡ ~\$17,344,605





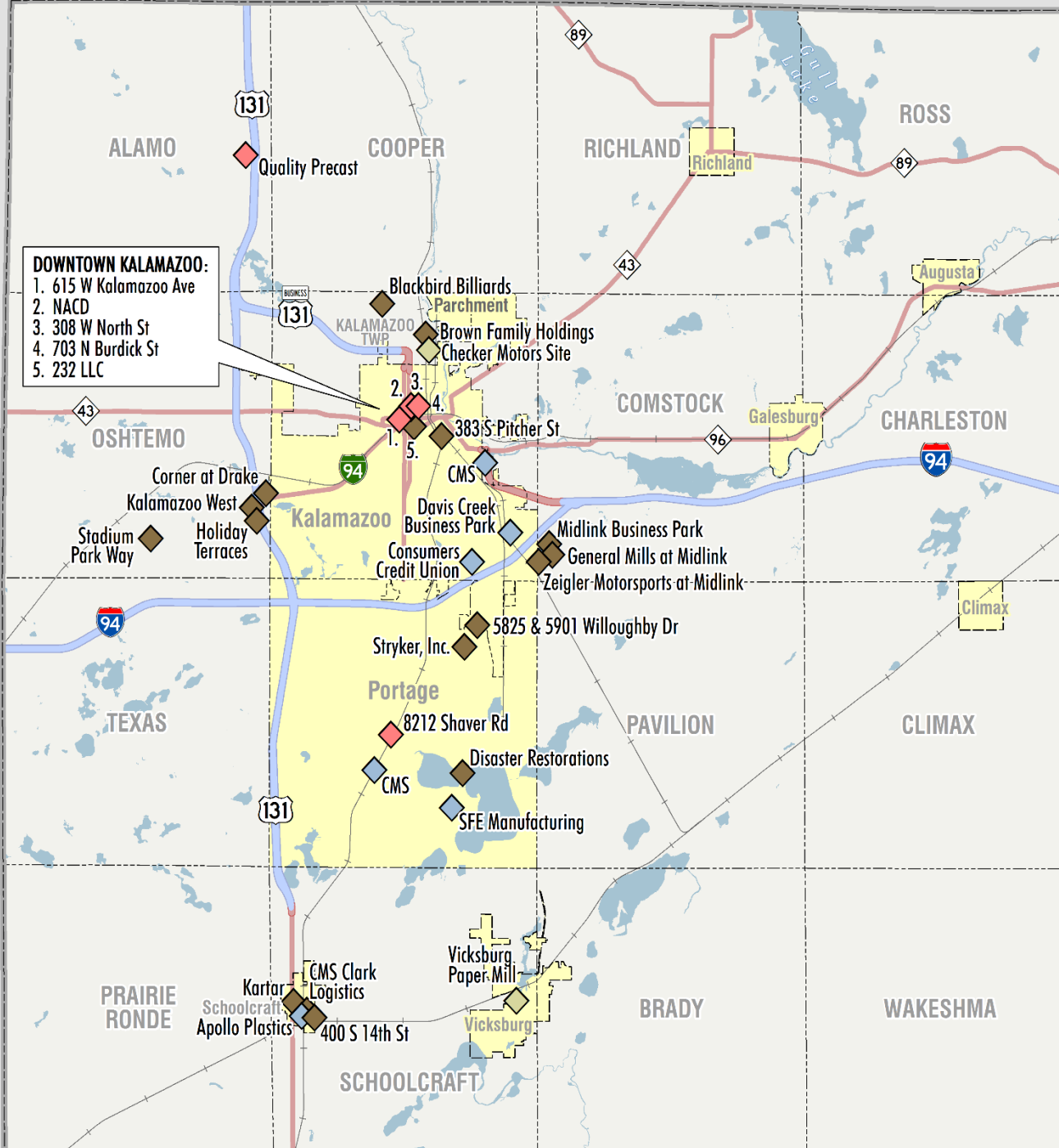
# Kalamazoo County Brownfield Projects 2018

KALAMAZOO COUNTY  
BROWNFIELD REDEVELOPMENT  
AUTHORITY

## Legend

- ◆ Current Brownfield Plans
- ◆ Brownfield Applications
- ◆ Other KCBRA-supported Projects
- ◆ 2016 EPA Grant Funded Projects

0 1 2 4 6 8 Miles







## Wrap-up/Q&A

- ▶ Bring Brownfield discussion to the potential development early;
- ▶ The KCBRA is capable of pursuing other available resources, beyond the EPA Assessment Grant, to assist with redevelopment projects;
- ▶ Be creative and innovative when applying these tools – flexibility is possible.

