

5d. BROWNFIELDS ELEMENT



“Brownfields are 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. Cleaning up and reinvesting in these properties takes development pressures off of undeveloped, open land, and both improves and protects the environment.”⁹

Brownfields redevelopment in the City of Adrian is a high priority. Through sustainable redevelopment of Adrian’s brownfield sites, the City strives to clean up and remediate environmentally contaminated and obsolete sites, reduce public health risks, and permit productive reuse of abandoned and underutilized commercial and industrial properties in the community. With the help of an EPA grant, the City is working toward identifying brownfields within its boundaries. Once an inventory is complete, the City will prioritize brownfield sites for redevelopment efforts.

BROWNFIELDS REDEVELOPMENT PROCESS¹⁰

A sustainable brownfields redevelopment process is a voluntary effort that engages a variety of stakeholders, including property owners, developers, governmental agencies, lenders, and community groups, in promoting long-term, productive reuse of brownfields.

The four main components of a sustainable redevelopment process include 1) initiation, 2) evaluation, 3) transaction, and 4) implementation. Figure 5-14 illustrates the components of this 4-step process.

Roles of City Government

- ☒ Integrating brownfields redevelopment with other community priorities.
- ☒ Involving community residents in brownfields redevelopment plans.
- ☒ Brokering reuse of brownfields sites.
- ☒ Providing funding for redevelopment costs and coordinating public funding and resources.
- ☒ Acting as a liaison with environmental regulators and coordinating with local and state health department.
- ☒ Brownfields prevention.

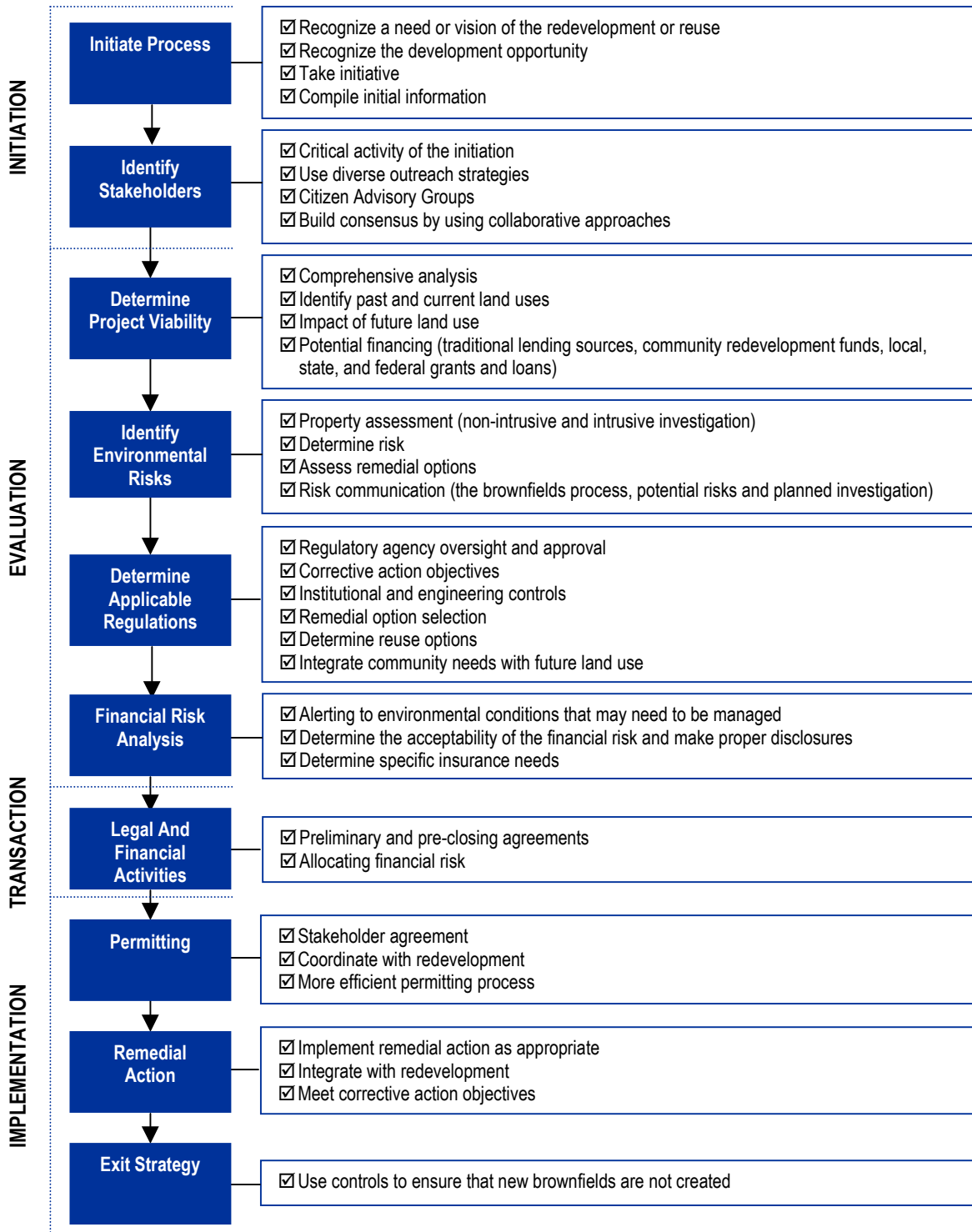
Local Government’s Role in Brownfields Redevelopment

The City of Adrian can play an integral role in the redevelopment of brownfield sites in the community. Primarily, City officials can serve as a facilitator, bringing together the many diverse interests involved. It is important to recognize the community as a key stakeholder in any redevelopment effort, and the City must play an important role in ensuring that its residents and business owners are included in the process. Figure 5-15 illustrates a model decision-making process that City officials can follow.

⁹ United States Environmental Protection Agency, www.epa.gov/brownfields/index.html

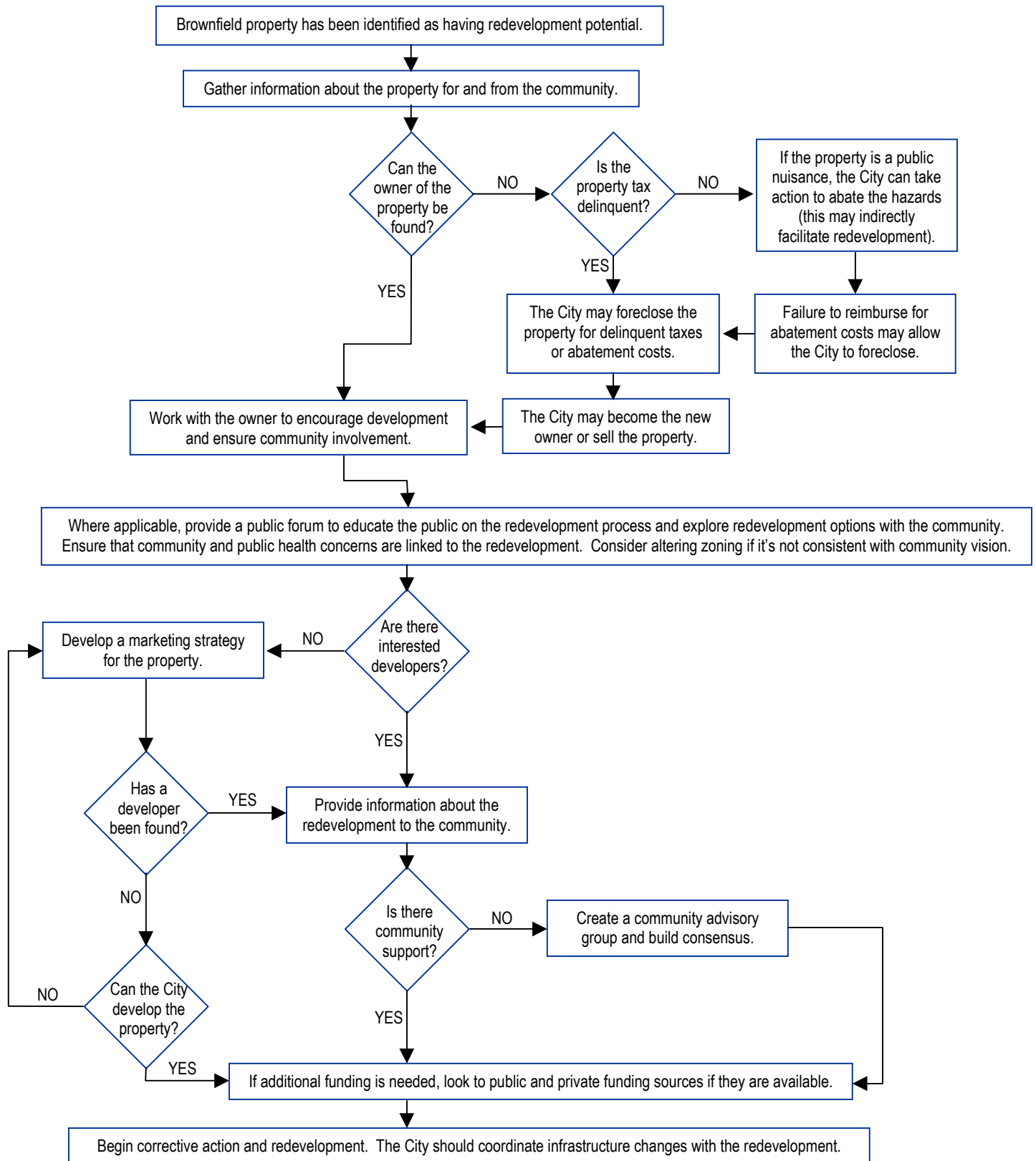
¹⁰ ASTM International, Standard E 1984 – 03, Guide for Brownfield Redevelopment

Figure 5-14
Brownfields Redevelopment Process



Adapted from ASTM International, Standard E 1984 – 03, Guide for Brownfield Redevelopment

Figure 5-15
Local Government Decision Tree



Adapted from ASTM International, Standard E 1984 – 03, Guide for Brownfield Redevelopment

TOOLS FOR BROWNFIELDS REDEVELOPMENT

Through its Brownfields Program, the United States Environmental Protection Agency (EPA) provides direct funding for brownfields assessment, cleanup, revolving loans, and environmental job training. The Brownfields Program collaborates with other EPA programs, other federal partners, and state agencies to identify and make available resources that can be used for brownfields activities. In addition to direct funding, EPA also provides technical information on brownfields financing matters.¹¹

Michigan's brownfield law is intended to encourage and assist developers who want to return property to productive use, while protecting human health and natural resources. Cleanup standards have been designed to be flexible based on the future use of the property. The Michigan Economic Development Corporation (MEDC) and the Michigan Department of Environmental Quality (MDEQ) provide funding, tools, education, and assistance to property owners, buyers, developers, lenders and local government.

Brownfield Redevelopment Authority

The City of Adrian established a Brownfield Redevelopment Authority in 2000 as authorized by the Brownfield Redevelopment Financing Act, 1996 PA 381, as amended. Act 381 allows local units of government to establish one or more Brownfield Redevelopment Authorities to identify and plan for reuse of brownfield properties. Once established Brownfield Redevelopment Authorities can adopt brownfield plans, which identify eligible activities to be conducted on eligible property, and provide for the use of financing tools such as tax increment financing and the Single Business Tax (SBT) Brownfield Redevelopment Credit.

Single Business Tax Incentives

The state of Michigan provides SBT Brownfield Redevelopment Credits to help with the expense of demolition, construction, restoration, alteration, renovation, and improvement of buildings, site improvements, and addition of machinery, equipment, and fixtures needed to facilitate reuse of contaminated, blighted, or functionally obsolete properties. Brownfield redevelopment credits are available for up to 10% of eligible investments to a limit of \$30 million.

Tax Increment Financing

Contaminated, blighted, or functionally obsolete properties may qualify for tax increment financing (TIF). This allows projects to capture state and local property and school taxes to pay for cleanup-related costs and non-environmental activities such as demolition, infrastructure improvements, site preparation, and lead and asbestos abatement.

Grants and Loans

The MDEQ offers grants and loans for environmental assessments and cleanups at properties with known or suspected contamination. Funds are targeted to projects that promote economic development and reuse of brownfield properties.

¹¹ United States Environmental Protection Agency, www.epa.gov/brownfields/index.html