Washtenaw County Brownfield Redevelopment Authority

IN-PERSON MEETING AGENDA

Monday, November 6th 2023 10:00 a.m.

200 N. Main, Ann Arbor, Lower Level Large Conference Room

Zoom Link to Webinar for Public to Join the Meeting:

https://washtenawcounty.zoom.us/j/81099386316?pwd=aEhqMWtsVldYOXVuSEdnZ3BqNFZ6UT09
Passcode: 788623

Dial In Number: US: +1 470 381 2552 or +1 267 831 0333 or +1 301 715 8592 or +1 312 626 6799 or +1 470 250 9358 or +1 206 337 9723 or +1 213 338 8477 or +1 253 215 8782

1. **Call to Order**
2. **Public Comment***
3. **Approval of Agenda**
4. **Approval of Minutes**
    a. October 17th, 2023 Meeting
5. **Board Member Conflict of Interest Disclosure**
6. **Business**
    1. 206-210 N. Washington, Avalon Housing, LBRF Grant Application – Action
    2. Main Street Park Alliance, Chelsea, Former Federal Screw Site, LBRF Grant Application – Action
    3. October 2023 Financial Report – Information
7. **Other Business**
8. **Public Comment***
9. **Adjournment**

*All public comment will be limited to three (3) minutes per person

For more information on this agenda please contact Nathan Voght, Washtenaw County Office of Community and Economic Development at (734) 660-1061 or voghtn@washtenaw.org.

Washtenaw County
Brownfield Redevelopment Authority (WCBRA)
Meeting held in-person at 200 N. Main, downtown Ann Arbor
Lower Level LARGE Conference Room

DRAFT MEETING MINUTES
Tuesday, October 17, 2023, 10:00 a.m.

Board Present: Allison Krueger – Chair, Colleen O'Toole – Vice Chair, Sam Baushke – Secretary, Christy Maier, James Harless, Trevor Woollatt, Justin Hodge, Katie Jones

Board Absent: Jenn Cornell

Staff: Nathan Voght – OCED

Joining the Meeting: Tom Wackerman – ASTI Environmental, Wendy Carty-Saxon – Avalon Housing, Michael Appel – Avalon Housing, Anne Jamieson – Environmental Consultant for Avalon Housing, David Esau – Architect for Avalon Housing.

Handouts: Eligible Activity Table for the 121 Catherine Street LBRF Grant from Anne Jamieson, consultant for Avalon Housing

1. Call to Order

Chair Krueger called the meeting to order at 9:03 a.m.

2. Public Comment

None

3. Approval of Agenda

Staff sent out a proposed revised agenda, adding a Phase I Environmental Assessment Grant for 7970 W. Liberty, at the request of Will Hathaway, Supervisor of Scio Township. C. O'Toole moved to approve the agenda with this item added as Business Item #3, (2nd J. Harless), and the motion passed unanimously.

4. Approval of September 11th, 2023 Meeting Minutes

J. Harless moved to approve the September 11th minutes as presented (2nd C. Maier), and the motion passed unanimously.

5. Board Member Conflict of Interest Disclosure

None declared.

6. Business

1. <u>206-210 N. Washington, Avalon Housing, LBRF Grant Application – Action</u>

   N. Voght provided an overview of the project. The board has previously been introduced to the proposed project, and provided an Environmental Assessment Grant from LBRF in 2021-2022 to assist with hazardous materials survey and other assessments. Staff continued and referred to the updated LBRF fund projection table, which provides a running balance of the fund, with existing obligations shown, as well as this project and Main Street Park Alliance project. There is about a $200,000 deficit in the fund next year, should the Board approve both requests.

J. Harless raised concerns about using the LBRF fund fully, and that both this project and the Chelsea park project need to be considered together, considering the fund is short about $200,000 to full fund both requests. He said the Authority has supported a lot of affordable housing projects.

J. Hodge, the Chair of the Board of Commissioners, and liaison to the Authority, stated the County's priority continues to be affordable housing.

The Board asked Micheal Appel, who was in attendance from Avalon, about the financing of the N. Washington project. He referred to the last page of the LBRF application, which staff pulled up on the screen, for the various sources.

C O'Toole stated that there's only about $600,000 for each project available, based on the LBRF fund projections. Staff commented on the nature of both projects, that the Avalon project financing is very complicated and inflexible vs. the Chelsea project, raising private capital to build a public park.

The Board discussed postponing the Avalon request to the November 6th meeting, where the Chelsea LBRF request will be on the agenda, so both could be discussed together. The Board anticipates having an updated Chelsea LBRF Work Plan as well, soon, for review.

J. Harless moved to table the 206-210 LBRF Grant application until the November 6th meeting (C O'Toole), and the motion passed unanimously.

2. <u>121 Catherine LBRF Grant Agreement – Action</u>

Staff referred to the draft Agreement, which uses our template, but incorporates some custom language around staff approving LBRF Eligible Activities as part of a monthly construction draw process, then reporting back to the Board monthly. Also, there is proposed revisions that speak to the need to shift some Eligible Activities between the EGLE Grant and LBRF Grant.

Anne Jamieson, the consultant for Avalon, on Zoom, described the project, and the funding sources and the overlap between activities. She spoke to the No Further Action needed on Soils from EGLE, due to the HUD funding.

J. Harless moved to approve the LBRF Grant Agreement as presented (2nd C. O'Toole), and the motion passed unanimously.

3. <u>7970 W. Liberty Road, Phase I Env. Assessment Grant – Action</u>

Staff referred to this agenda item, added at the request of staff, as requested by Scio Township. The item was emailed in September, and should have been placed on the agenda. The application and information was emailed separately to the Board.

The Board was not in favor of supporting a Phase I for a site where a buyer has not been identified. There is info on an existing Phase I, but it was unclear when it was performed.

When did the Twp acquire the parcel? Staff was not sure. The Board would be supportive of a Phase I grant when a buyer is identified.

J. Harless moved to deny the Phase I grant application, with an invitation to return when a buyer is identified (2nd J. Hodge), and the motion passed unanimously.

4. <u>September 2023 Financial Report – Action</u>

J. Hodge moved to approve the financial report and noted transactions, including paying the State of MI 3 mills SET invoice (2nd J. Harless), and the motion passed unanimously.

7. Other Business

The Board discussed when meetings would occur in 2024. It was decided to move back to the 2nd Thursdays of the month, at 9 a.m. That will work with Justin Hodge's teaching schedule. N. Voght will send out appointments to everyone and secure the same meeting room.

J. Hodge updated the Board that formation of a County Land Bank was still moving forward. He's talked to the County Treasurer further about what the Land Bank would look like. Commissioner Sanders went to a Land Bank conference in Cleveland. He asked the Authority again to confirm they'd be open to also serving as the County Land Bank Authority, and the Board was amenable.

8. Public Comment:

None.

9. Adjournment:

J. Hodge moved to adjourn the meeting at 10:09 a.m. (2nd S. Baushke), and the motion passed unanimously.

These minutes were approved by the Washtenaw County Brownfield Redevelopment Authority at the ____________________, 2023 meeting, held at 200 N. Main, lower level large conference room, downtown Ann Arbor.

Washtenaw County Brownfield Redevelopment Authority

Agenda Summary Memo

REGULAR IN-PERSON MEETING

10:00 a.m. Monday, November 6th, 2023

200 N. Main, Lower Level Large Conference Room, Ann Arbor

TO: Washtenaw County Brownfield Authority
FROM: Nathan Voght, Washtenaw County Brownfield Coordinator
DATE: October 30th, 2023

This regular board meeting will be held in-person, at 200 N. Main, lower level Large Conference Room, downtown Ann Arbor. Any public wishing to participate can attend the meeting in-person, or use the provided Zoom Webinar link on the meeting agenda.

Business Items:

1. **206-210 N. Washington, Avalon Housing, LBRF Grant Application – Action**

This item was tabled from the October 17th meeting, in order to discuss it with the concurrent LBRF Grant application from the Main Street Park Alliance.

In order to assist with the review of both applications, the latest 2018 LBRF Policy document adopted by the Authority is included in the packet. Here is the LBRF Funding Review Criteria from Page 3:

LBRF Funding Review Criteria

- *The extent to which the project reduces the extent, migration, and/or exposure to environmental contamination.*
- *The project will remove significant blight from a property.*
- *The extent to which the project effectively addresses or intervenes in an immediate real or potential public health threat.*
- *The extent to which the funds support stated affordable housing goals in the 2015 Housing Affordability and Economic Equity Analysis, as applicable.*
- *The degree to which the project meets Smart Growth Principles. smartgrowth.org/smart-growth-principles*
- *Funding or funding commitments sufficient to complete the project are available.*

The 206-210 N. Washington LBRF Grant Application is provided, and Table of Eligible Activities, and infrastructure map, submitted by Avalon Housing, for the City of Ypsilanti-owned site at 206-210 N. Washington. The site will be sold to Avalon Housing to construct 22 Supportive Housing Units. The request is for a $704,755 LBRF Grant. The applicant notes that they may request an additional $81,000 in private infrastructure costs, as a Local Only request, if the need arises.

Refer to Table 1, Eligible Activity Cost Estimates for detailed costs. These include Assessment and Due Care, $102,000 (including asbestos and lead abatement), Site Preparation $236,174, Infrastructure $64,294 (including streetscape, sidewalk, and public landscaping, and Demolition $211,080. A 15% Contingency is included of $91,207, bringing the total to $704,755.

Staff asked ASTI for detail on the "Historic Buildings – Soil Mitigation/Management" cost of $10,000. Tom Wackerman provided this response:

Drip Line assumed to be 3 feet from building
Depth of excavation assumed to be 2 feet bgs
All soils assumed to be impacted above one or more generic residential cleanup criteria.
Therefore, volume of soils for removal and off-site disposal assumed to be 37 CY
Cost per CY assumed to be $180 for excavation, transportation, disposal and backfill
Cost based on above is $6,680.
Additional costs to estimated $10,000 include hand digging, demarcation barrier and sod/seed.

2. Main Street Park Alliance, Chelsea, Former Federal Screw Site, LBRF Grant Application – Action

The applicant provided an LBRF application and an updated Work Plan and LBRF Grant estimate on October 17th. Staff emailed it out to the Authority at that time for review. No comments were received.

The request is for an $804,010 LBRF Grant. The costs consist of $25,000 in delineation of on site soil contamination and waste characterization activities, $62,000 in concrete demolition and disposal, and $715,800 in soil excavation and disposal.

The Main Street Park Alliance is a Non-Profit entity, so is eligible for a grant. MSPA recently acquired the site, and has a signed development/purchase agreement with the City of Chelsea. MSPA will develop the Park and the City of Chelsea will then acquire the site for $1 and operate the Park.

Based on previous information, it's staff's understanding the project has a budget of about $6M and the funding is mostly coming from private sources, and at least half of the necessary funding has been raised. We understand EGLE has committed a $1M CMI Grant to address Due Care/Direct Contact Issues, and has offered a $650,000 Loan. However, MSPA informed staff that the City of Chelsea does not want to sponsor the EGLE Loan. In the past, the County has also not sponsored Loans, due to required EGLE Loan terms that put State Shared Revenues at risk to the County, should the loan not be repaid.

3. October 2023 Financial Report – Action

Please see the updated report, with no action required.

Other Information:

Act 381 Amendments to incorporate Affordable Housing subsidies as Eligible Activities: There are numerous developers expressing interest in using the new TIF housing subsidies. Here is a website with more information on Act 381 Affordable Housing Amendments: https://www.michigan.gov/mshda/developers/tax-increment-financing-tif . Anne Jamieson provided the first housing TIF Brownfield Plan example I've seen, from Pontiac. And, also from Anne, here's a presentation she gave to the Grand Traverse County Brownfield Authority.

303 N. Fifth/312 Detroit Street Brownfield Plan Amendment: The Amendment is going to the County Board of Commissioners for a public hearing on November 1st, and adoption on November 15th.

2 West Michigan, Downtown Ypsilanti: EGLE just announced (confirmed) they've prioritized this site for vapor intrusion mitigation and given it funding (different pot than the CMI funding discussed up until now). The funding will be available first of the year, and work to continue soon thereafter. This will not be a grant to the County, as contemplated before, but rather EGLE direct funding where they'll hire their own consultant, GeoSyntec, to complete the work. The owner, City and I are pleased with this news.

Broadway Park Ann Arbor: Staff met with the developer, City of Ann Arbor and SME to discuss a Brownfield Plan Amendment. The broad outline of the Amendment will be to add Interest as an Eligible Activity, include Affordable Housing (instead of the hotel previously planned), and eliminate all Eligible Activities related to the public recreation improvements previously included in the Plan, which are now funded by the State funding announced in 2022. The overall cost of the Eligible Activities is expected to be about the same.

The $499,000 in Eligible EGLE Grant activities are complete, and SME has submitted a budget tracking spreadsheet and report for staff review, and submittal to EGLE for approval. A reminder that the Grant Agreement is with the Conservancy, overseeing the development of the public recreational areas of the development, and will own and maintain them in the long-term.

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
Local Brownfield Revolving Fund
Grant and Loan APPLICATION FORM

Please return the completed form and attachments to:
Nathan Voght
Economic Development Specialist
Washtenaw County Office of Community and Economic Development
415 W. Michigan Ave.
Ypsilanti, MI 48197
734-544-3055
voghtn@ewashtenaw.org

Type of Application

☐ Loan (Available to all entities)

☒ Grant (Only available to Local Units of Government and Non-Profits)

Applicant Information

Applicant: Avalon Nonprofit Housing Corporation

Contact: Wendy Carty-Saxon

Address: 1327 Jones Dr., Ann Arbor, MI 48105 Phone No.: 734-663-5858 x211

Type of Ownership: ☐ Private ☐ Public Developer (Entity) Name: 206 North Washington LDHA LLC

Property Owner: City of Ypsilanti Contact: Katie Jones, 734-891-1301

☐ Brownfield Plan Approved (or expected to be approved) on this date: Not Applicable

Project/Property Information

Project Name: 206 N. Washington St.

Project Description: Demolition of blighted structure; new construction of 22-unit apartment building.

Address/Location: 206 N. Washington St., Ypsilanti, MI 48197

No. Buildings: 1 (+2 historic outbuildings) Square Footage of Buildings: 24,366 + 879 in outbuildings

Property Acreage: .46

Parcel Identification No(s).: 11-11-40-411-003

Zoning: CN Surrounding Land Use: Retail (coffee shop) to the south; Residential to N, E, W.

Previous Owners: City of Ypsilanti (through foreclosure); private investors (including Charles Soule, Beal Properties, Balmoral Holdings)

Historic Property Uses: Multifamily residential, architectural offices, single family residential

Eligible Activities

Please describe eligible activities proposed to be funded by LBRF: Site preparation; public infrastructure improvements; pre-demolition asbestos abatement; site, infrastructure, and building demolition. Environmental assessments (Phase I ESA and Phase II Investigation), asbestos survey and lead based paint survey were previously conducted and funded through WCBRA, so are not included in this request. Additionally, private infrastructure that is eligible for reimbursement using local funds, but not state funds, is not included at this time although approximately $81,000 in eligible expenses are anticipated. Avalon will return to WCBRA with a separate request to also have these costs reimbursed only if the project is in need of that subsidy. This includes a 15% contingency on items not yet completed.

Anticipated Cost: $704,755

Previous Environmental Activities Completed

✓ Phase I ✓Phase II ☐ BEA ☐ Remediation ☐ None ☐ Unknown

Please describe environmental conditions: A filling station and auto repair facility were historically located on the southern adjoining property and were listed as Recognized Environmental Conditions (REC) in the Phase I ESA. A Phase II Investigation did not identify any impacts above the generic residential clean-up criteria or regional background criteria proximate to the REC. Asbestos containing building materials have been identified in the building and will be abated during demolition.

Please provide cloud links to any relevant environmental reports.

Application Information

Please describe how the request satisfies the current LBRF policy standards related to Smart Growth Principles, 2015 Housing and Affordability and Economic Equity Analysis, potential for new tax base, location within a downtown or existing commercial or industrial areas, new job creation, positive environmental impact, and blight removal: This development will remove an existing blighted structure, provide needed affordable housing adjacent to downtown and be built in conformance with MSHDA and County OCED green standards.

Please provide a Site Map, Aerial, and/or Site Plan for the redevelopment.

Community Impact

Please describe the impact you feel your proposal will have on the community: This development strengthens the neighborhood with the removal of a blighted structure and provides needed affordable housing.

Need for LBRF Funding

Please describe why this funding is necessary for project feasibility: The project faces significant challenges to prepare the property for redevelopment, including demolition and upgrading publish infrastructure.

Project Funding

Has funding been secured? [X] Yes (in process) [ ] No Please list types and amounts.

Source of Funds: Washtenaw County HOME Amount: $ 500,000

Source of Funds: MSHDA HOME-ARP/SERA Amount: $ 4,148,978

Source of Funds: MSHDA 4% LIHTC (equity) Amount: $ 4,372 908

Source of Funds: FHLB-AHP Amount: $ 400,000

Source of Funds: Deferred Developer Fee Amount: $ 272.861

MEDC CRP: ☐ Yes ☒ No Amount: $

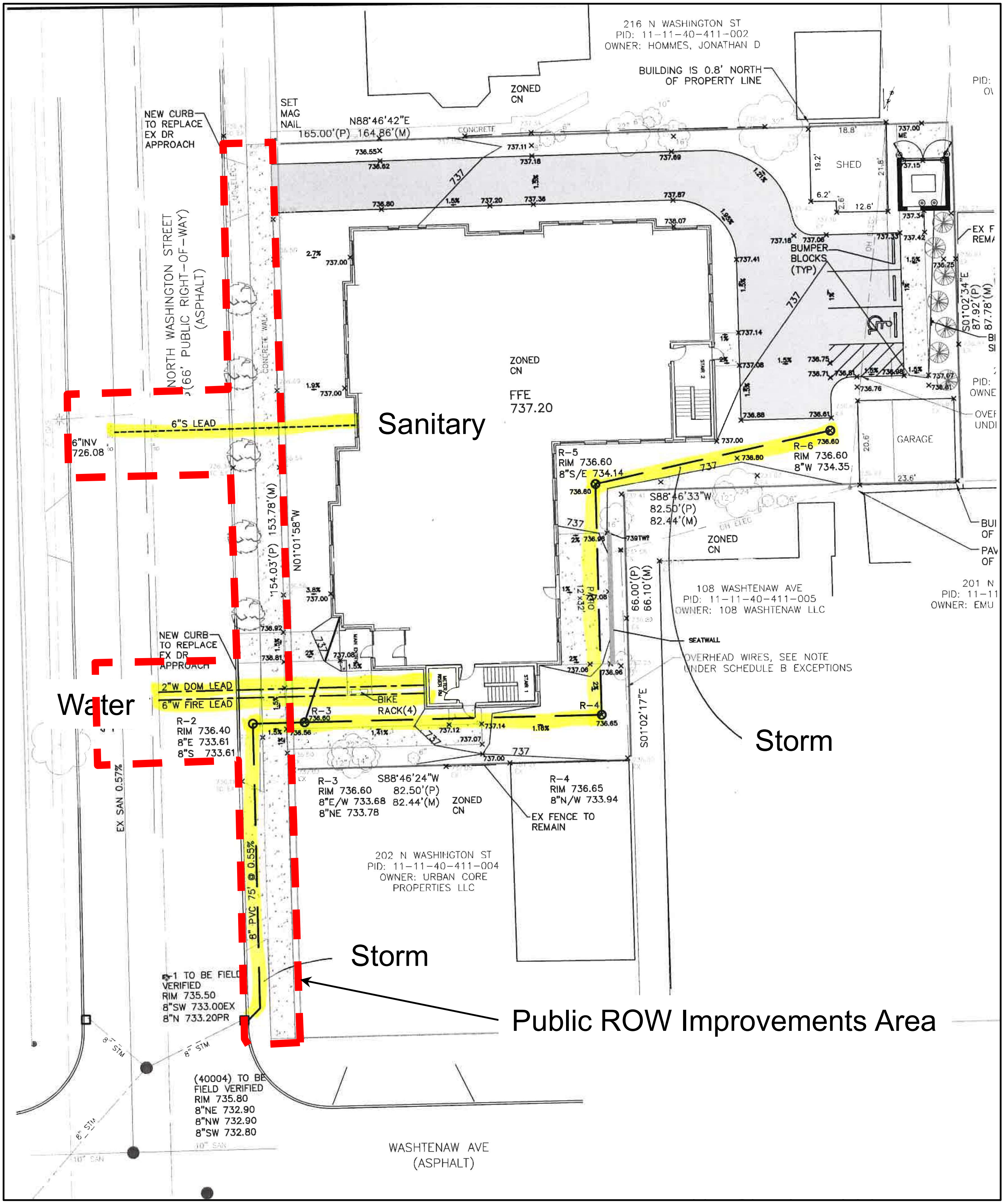
Brownfield Grant/Loan: ☒ Yes ☐ No Amount: $ 22,548

Washtenaw County LBRF Funds: Grant Amount: $ 704,755

FINANCIAL ANALYSIS
Table 1 - Eligible Activity Cost Estimates
206 N. Washington St. *10/03/23*

Project Development Costs

Assessment and Due Care	Estimated Costs
Asbestos and Haz Sub Inspection/Bid Specs	$1,500
Asbestos Abatement and Monitoring	$65,000
Oversight & Reporting	$2,500
Historic Buildings - Asbestos Survey	$2,000
Historic Buildings - LBP Survey	$2,500
Historic Buildings - LBP Abatement	$8,000
Historic Buildings - Lead Soil Assessment (Exterior Paint)	$3,500
Historic Buildings - Soil Mitigation/Management	$10,000
Project Management	$3,000
Subtotal Abatement Activities	**$98,000**
Brownfield Contractor Costs	
Implementation of Grant	$4,000
Subtotal Grant Activities	**$4,000**
Site Preparation	
Staking related to Rough Grade, Roadway and Utilities	$8,400
Geotechnical Engineering	$10,000
Clearing and Grubbing	$22,480
Temporary Construction Access and/or Roads	$6,850
Temporary Facility	$4,800
Temporary Traffic Control	$5,725
Temporary Erosion Control	$4,200
Temporary Site Control (i.e., security, fencing, lighting)	$16,450
Excavation for Unstable Material (i.e., Urban or Historic Fill)	$28,375
Transportation for Unstable Material	$15,000
Foundation Work to Address Special Soil Concerns	$18,900
Backfill	$28,500
General Earthwork	$19,400
Compaction & Sub-base Preparation	$9,845
Safety Survey and Building Assessment for Demolition	$11,500
Project Management	$25,749
Private Utilities Installation	$0
Storm Sewers	$0
Sanitary Sewer	$0
Watermain	$0
Subtotal Site Preparation Activities	**$236,174**
Infrastructure	
Public	
Access	
Sidewalk 4-inch	$10,000
Streetscape Improvements	
Landscaping	$10,000
Curbs and Gutters	$7,320
Asphalt Paving of Road	$18,000
Signage	$1,500
Project Management	$17,474
Subtotal Public Infrastructure	**$64,294**
Demolition	
Building Demolition	$144,000
Site/Infrastructure Demolition	$28,000
Public Sidewalk/Road Removal	$15,000
Project Management	$24,080
Subtotal Demolition	**$211,080**
Subtotal Above	$613,548
*Contingency at 15%**	$91,207
Total Activity Costs with Contingency	$704,755
Other Eligible Costs	
Interest	$0
Total Costs Above	$704,755



206-210 N. Washington St.

Ypsilanti, MI

ASTI ENVIRONMENTAL

Created for: Avalon Housing Inc.
Created by: TJW (4-11966) August 30, 2023

Figure 1: Public and Private Infrastructure

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
Local Brownfield Revolving Fund
Grant and Loan APPLICATION FORM

Please return the completed form and attachments to:
Nathan Voght
Economic Development Specialist
Washtenaw County Office of Community and Economic Development
415 W. Michigan Ave.
Ypsilanti, MI 48197
734-544-3055
voghtn@ewashtenaw.org

Type of Application

☐ Loan (Available to all entities)

X Grant (Only available to Local Units of Government and Non-Profits)

Applicant Information

Applicant:_ Main Street Park Alliance______ Contact:__Joe Ziolkowski

Address:______ P.O. Box 222 Chelsea MI 48118_______Phone No.734 883-1514_____________

Type of Ownership: ☐ Private X Public Developer (Entity) Name: Main Street Park Alliance

Property Owner: Main Street Park Alliance transferred to City upon completion__Contact: Joe Ziolkowski_______

☐ Brownfield Plan Approved (or expected to be approved) on this date: ________________________________

Project/Property Information

Project Name: Main Street Park Project_______________________

Project Description: Transform former Federal Screw Works site into a community park.

Address/Location:___ 500 Main Street Chelsea MI 48118__________________________

No. Buildings: 2 (will be removed)__Square Footage of Buildings:__10,000___________________

Property Acreage:___2.6___________

Parcel Identification No(s).:________06-06-12-435-005 & 06-06-12-435-015

Zoning:______DT(Downtwon Mixed Use)_______________ Surrounding Land Use:Residential__

Previous Owners:____Federal Screw Works and Magellan Development Corporation__________

Historic Property Uses:_____ For approximately 100 years Federal Screw Works operated as a machine and tool industry. Largely supplying the Automotive industry with precision machined parts for transmissions and drivetrains. In early 2000s Magallan Development Corporation purchased the property with the intent to develop commercially. Magellan removed several of the buildings on site but was unable to develop the property. For last ten years Magallan has tried to sell the property to other developers. However, the necessary environmental remediation, and residential deed restriction has proven to be insurmountable for both Magellan and subsequent developers. Main Street Park Alliance entered into an LOI with Magellan in 2021, a Purchase Agreement in 2022, and closed on the property and took ownership in Septmember 2023.

Eligible Activities

Please describe eligible activities proposed to be funded by LBRF: MSPA proposes to remediate an area of approximately 100' x 200' in the SW west corner of the property where large concentrations of NAPL have been observed. We proprose to remove contaminated soils up above the water and slightly into the water level and replace with clean fill in doing so helping alleviate the continued flow of NAPL into water table and off site

Anticipated Cost: $804,010.00

Previous Environmental Activities Completed

X Phase I X Phase II X BEA ☐ Remediation ☐ None ☐ Unknown

Please describe environmental conditions: The SW corner is saturated with NAPL from 2' to 25' soil, water table, and below water table, NAPL is suspected of migrating offsite both into utility corridor and onto residential property to the South of the site. . Of importance there is a broken City storm drain bisecting the property east to west which runs directly through the impacted area. During SW corner remediation MSPA and the City will work together to replace broken storm drain..The remaining portion of site has various degrees of contamination as outlined in Phase 1 & 2, which will be addressed by a direct contact barrier or "cap".

Please provide cloud links to any relevant environmental reports.

Application Information

Please describe how the request satisfies the current LBRF policy standards related to Smart Growth Principles, 2015 Housing and Affordability and Economic Equity Analysis, potential for new tax base, location within a downtown or existing commercial or industrial areas, new job creation, positive environmental impact, and blight removal:

Site is located in Chelsea's existing Downtown. It is part of the "Opportunity Zone". The site has sat blighted and largely unattended with two dilapidated blighted buildings on the property, crumbling retaining walls, and overgrown. All of which will be remedied through repurposing the site into a Community Park. Revitalizing the site as a community park will add to the tax by increasing property surrounding property values by 10-15%. Further, do to its unique features the park has been identified as a regional draw, which will positively impact the downtown restaurants and shops. The former FSW Site has sat vacant and fenced for nearly twenty years in the heart of Chelsea. It has been an insolvable problem and a drag on Chelsea and has negatively impacted our community and businesses.

Please provide a Site Map, Aerial, and/or Site Plan for the redevelopment.

Community Impact

Please describe the impact you feel your proposal will have on the community: Main Street Park will be an vibrant multi-age multi ability adaptive park in the heart of Chelsea. It will be an open and inclusive gathering space for our entire community. Covid highlighted the segmentation of Chelsea and the need for safe outdoor gathering spaces. Main Street Park will provide features and spaces that appeal to all segments of the Chelsea community. The new park will connect to the existing Border to Border trail through designated bike lanes and pathways. According to Chelsea's master plan for a city of our size we are lacking more than 20 acres of park land. The need has been identified, and this 2.6 acre park will help contribute to growing Chelsea's anemic park system. Instead of seeing a blighted fenced abandoned property in the heart of our town people will see and more importantly be able to experience a dynamic aesthetically pleasing park at the gateway to Chelsea.

Need for LBRF Funding

Please describe why this funding is necessary for project feasibility: The City of Chelsea is requiring point source remediation in the SW corner as a condition for accepting the property. The City's concerns are two fold. First, they would like to minimize the potential migration offsite especially as it impacts their utility corridor and storm line which potentially creates future environmental conditions to be addressed by the city. Secondly, the city would like to minimize the possibility of FSW, through potential future enforcement, ever having to come on site and engage in remediation activities once the park is constructed. Lastly, donors do not want to donate to a project that is not undertaking a thorough and comprehensive environmental investigation and response/remediation plan. Yet, donors do not want to fund environmental clean-up, remediation, due care, mitigation etc. Donors largely want to fund the more tangible items such as park amenities and strucutres.

Project Funding

Has funding been secured? ☐ Yes ☐ No *X Partial* Please list types and amounts.

Source of Funds: Private Amount: $ 2,500,000.00

Source of Funds: Amount: $

Source of Funds: Amount: $

MEDC CRP: ☐ Yes X No Amount: $

Brownfield Grant/Loan: X Yes ☐ No Amount: $ 1,000,000

Washtenaw County LBRF Funds: Amount: $ 804,010


MW-5
MW-5

Washtenaw County Brownfield Redevelopment Authority

Local Brownfield Revolving Fund (LBRF) Policy

Purpose: The Washtenaw County Brownfield Redevelopment Authority (WCBRA) established a Local Brownfield Revolving Fund (LBRF) to assist with brownfield projects in WCBRA member communities. This policy is hereby adopted to guide review of applications for LBRF loan or grant funds in support of brownfield activities.

The WCBRA intends to utilize LBRF funds to most effectively advance the goals of the program, stated herein. The Local Brownfield Revolving Fund is capitalized from dedicated tax increment revenue (TIR) captured from projects within member communities of the Washtenaw County Brownfield Authority. Therefore, revenues accruing to the LBRF may not necessarily be awarded geographically in the same proportion as the LBRF TIR was captured.

The WCBRA may seek reimbursement of some or all grant funds using Tax Increment Financing as part of the approved Brownfield Plan for the project, and will utilize Tax Increment revenues for repayment of loans.

Application Eligibility

Below is a table that indicates program eligibility for different organizations. Please note that of all the eligible entities below, private developers are not eligible for grants.

LBRF Eligibility Table

	Local Unit of Government	Non-Profit Organization	Economic Development Organization	Land Bank	Private Developer
Grant	Yes	Yes	Yes	Yes	No
Loan	Yes	Yes	Yes	Yes	Yes

Eligible Activities

The LBRF will be used to further the purpose of the Program, which is to facilitate the redevelopment of previously developed sites classified as a “facility”, historic resource, functionally obsolete or blighted, or as otherwise eligible, as defined in PA 381 of 1996, as amended (Act 381).

The LBRF may be used only to pay the costs of eligible activities on eligible property that is included in an approved Brownfield Plan, as defined in Act 381. The WCBRA may prioritize applications for available funds, is under no obligation to fund all or any projects, and shall review each application on a case-by-case basis.

LBRF Program Requirements

- LBRF *grant* and *revolving loan* funds may only be used to support redevelopment of brownfields in Washtenaw County communities that have joined the WCBRA.
- LBRF funds may be used by the WCBRA to conduct eligible activities when such use is deemed necessary to encourage redevelopment of a brownfield site.
- The awarding of loans or grants, and the amount of the award, shall be solely at the discretion of the WCBRA.
- Grants may be awarded to an eligible entity only to finance Act 381 eligible activities on sites that will be tax-exempt after redevelopment.
- Grant and loan recipients must not be a liable party, as defined in Part 201 of the Michigan Natural Resources and Environmental Protection Act (PA 451 of 1994, as amended).
- All awards of LBRF funds are contingent on successful adoption of a Brownfield Plan, which establishes site eligibility and includes all eligible activities and costs that will be funded by the LBRF grant or loan.
- LBRF Grants and Loans will not exceed the current maximum amount as established from time to time by the WCBRA and will be prioritized to fund mitigation of conditions that pose an imminent public health threat, environmental response activities, due care activities, due care assessments, and environmental due diligence, in that order.

- In addition to general requirements, the following apply to LBRF loans:
    - LBRF loans are intended to support development projects that are demonstrated to be economically viable to the satisfaction of the WCBRA, and will create additional tax base for the host community and County. The WCBRA may request project financial information suitable for project and developer viability evaluations.
    - Only one loan will be awarded to each project.

- No loan for any project will be issued in an amount exceeding $1,000,000 or the amount available in the LBRF, whichever is less.

- The repayment period for each loan will be negotiated, but generally will not exceed 15 years. The loan interest rate, amortized over the loan period from the date of first payment, shall be 50 percent of the Wall Street Journal Prime Rate on the date of loan closing. To accommodate project economics, the date of first payment may be deferred up to the date of first TIR reimbursement of eligible costs under the approved Brownfield plan, but deferral shall not exceed three years after the loan closing date without prior approval of the WCBRA.

- Any Loan approval is contingent upon execution of a Loan Agreement and Security Agreement between the applicant and the WCBRA that details all aspects of the loan.

LBRF Funding Review Criteria

- The extent to which the project reduces the extent, migration, and/or exposure to environmental contamination.

- The project will remove significant blight from a property.

- The extent to which the project effectively addresses or intervenes in an immediate real or potential public health threat.

- The extent to which the funds support stated affordable housing goals in the 2015 Housing Affordability and Economic Equity Analysis, as applicable.

- The degree to which the project meets Smart Growth Principles.
  smartgrowth.org/smart-growth-principles

- Funding or funding commitments sufficient to complete the project are available.

- The following additional criteria will be used for LBRF loans:
  - Additional financial security may also be requested by the WCBRA for loans.
  - Location of the site within traditional downtowns and existing commercial and industrial areas.
  - The number of local temporary and permanent jobs created as a result of the redevelopment.

LBRF Application:

- An LBRF application, which must provide a project description and how funding is critical to the project and consistent with WCBRA policies and procedures (link: http://bit.ly/1P4hnFA), is required for any LBRF request.
- For LBRF loans, a non-refundable application fee of $1,000 is required.

Adopted August 7, 2014 by the Washtenaw County Brownfield Redevelopment Authority

Revised and Re-Adopted December 3, 2015

Revised and Re-Adopted March 3, 2016

Revised and Re-Adopted May 4, 2017

Revised and Re-Adopted August 2, 2018

LBRF Account Cash Flow **UPDATED 10-30-23**

Date	Current Balance	Pay Outs	Project	Deposits	Project(s)
7/1/2023	$ 2,659,556				
9/15/2023	$ 2,644,556	$ 15,000	3045 Broad, Dexter		
9/15/2023	$ 2,804,556			$ 160,000	Kingsley Condos
10/1/2023	$ 2,784,556	$ 20,000	Gault Village, Ypsi Twp		
10/1/2023	$ 1,784,556	$ 1,000,000	220 N. Park Grant/Loan		
11/1/2023	$ 1,751,956	$ 32,600	415 W. Washington Phase II		
6/1/2024	$ 792,550	$ 959,406	121 Catherine St A2HC		
9/1/2024	$ 1,302,550			$ 510,000	Kingsley, 618 S. Main, Arbor Hills, 114
9/1/2024	$ 597,550	$ 705,000	206/210 N. Washington, Ypsi		
11/1/2024	$ (206,450)	$ 804,000	Main St. Park Chelsea Grant		
9/1/2025	$ 793,550			$ 1,000,000	618 S. Main, Arbor Hills, 1140
9/1/2026	$ 993,550			$ 200,000	Various
9/1/2027	$ 2,815,090			$ 1,821,540	1140 Broadway

WCBRA Financial Report - October 2023

Developer Reimbursement Complete

Project	Maple Shoppes	Zingerman's	Arbor Hills	618 S. Main	544 Detroit	Water Street	Kingsley Condos - 221 Felch	Grand View Commons-Dexter	1140 Broadway-A2	Thompson Block
Project Parameters										
***Brownfield Plan - Total Approved Elig Activities**	$ 1,209,027.00	$ 1,233,937.00	$ 5,400,000.00	$ 4,628,636.00	$ 698,773.00	$ 22,874,634.00	$ 5,109,420.00	$ 3,370,613.00	$ 13,159,069.00	$ 1,651,241.00
Brownfield Plan - Maximum Developer Reimbursement	$ 1,010,042.00		$ 5,400,000.00				$ 4,000,000.00		$ 10,894,465.00	$ 1,332,613.00
Actual Approved Eligible Activity Expenses	$ 1,010,042.00	$ 600,218.85	$ 4,384,556.00	$ 2,726,826.00	$ 383,368.00		$ 4,000,000.00	$ 1,552,678.00	$ 8,733,951.26	$ 975,696.00
Approved Eligible Activity Expense Reimbursed to Date	$ 876,127.54	$ 358,192.95	$ 4,384,556.00	$ 2,469,687.11	$ 238,435.12		$ 3,689,461.06	$ 969,741.54	$ 6,464,976.59	$ 35,264.98
Remaining Approved Eligible Activity Expenses	$ 133,914.46	$ 242,025.90	$ -	$ 257,138.89	$ 144,932.88	$ -	$ 310,538.94	$ 582,936.46	$ 2,268,974.67	$ 940,431.02
Approved Interest to be Reimbursed	$ 41,282.00	$ 228,466.37	$ 1,015,444.00	$ 498,515.29	$ 70,648.00			$ 257,190.83		
Interest Reimbursed to Date			$ 927,506.30							
Remaining Interest to be Reimbursed	$ 41,282.00	$ 228,466.37	$ 87,937.70	$ 498,515.29	$ 70,648.00			$ 257,190.83		
Project Financial Activity										
12/31/22 Fund Balance	$ -	$ 9,016.28	$ -	$ -	$ 2,808.00	$ 184,949.02	$ (47,694.50)		$ (75,958.50)	$ (1,873.00)
TOTAL 2023 REVENUES										
Application Fee	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Revenue*										
TIF Revenue/Capture	$ 84,611.18	$ 81,220.08	$ 597,993.01	$ 795,988.06	$ 43,222.83	$ 36,951.76	$ 753,332.99	$ 322,478.71	$ 2,018,308.20	$ 15,735.36
Total Revenues	$ 84,611.18	$ 81,220.08	$ 597,993.01	$ 795,988.06	$ 43,222.83	$ 36,951.76	$ 753,332.99	$ 322,478.71	$ 2,018,308.20	$ 15,735.36
2023 EXPENDITURES										
Certified Expense Reimbursement	$ 81,422.18	$ 83,878.36	$ 548,409.01	$ 772,363.06	$ 41,164.83		$ 413,564.49	$ 286,771.21	$ 1,828,837.70	$ 13,862.36
Administrative Fee Transfer	$ 3,189.00	$ 1,171.00	$ 49,584.00	$ 23,625.00	$ 2,596.00	$ 3,215.00	$ 82,394.00	$ 11,797.00	$ -	$ -
LBRF Revenue or Deposit	$ -	$ 5,187.00	$ -	$ -	$ -	$ -	$ 160,000.00	$ -	$ 42,994.00	$ -
State of MI Brownfield Fund (Approved after 2014)					$ 2,269.50	$ 1,469.00	$ 49,680.00	$ 23,910.50	$ 70,518.00	$ 1,914.00
Total Expenditures	$ 84,611.18	$ 90,236.36	$ 597,993.01	$ 795,988.06	$ 46,030.33	$ 4,684.00	$ 705,638.49	$ 322,478.71	$ 1,942,349.70	$ 15,776.36
Misc Refund										
Current Brownfield Account Balance	$ -	$ -	$ -	$ -	$ 0.50	$ 217,216.78	$ -	$ -	$ -	$ (1,914.00)

Project	309 N. Ashley	Broadway Park-Roxbury	Maple Oaks-Saline	Rockwell Building Chelsea	4025 Packard Road	303 N. Fifth/312-314 Detroit	3874 Research Park Drive/Sartorius	Village of Ann Arbor	300 N. Zeeb
Project Parameters									
***Brownfield Plan - Total Approved Elig Activities**	$ 2,739,022.00		$ 781,957.00						
Brownfield Plan - Maximum Developer Reimbursement	$ 2,039,022.00		$ 550,000.00						
Actual Approved Eligible Activity Expenses	$ 1,876,130.05		$ 176,469.06						
Approved Eligible Activity Expense Reimbursed to Date	$ 568,797.87		$ 101,800.67						
Remaining Approved Eligible Activity Expenses	$ 1,307,332.18	$ -	$ 74,668.39	$ -	$ -	$ -	$ -	$ -	$ -
Approved Interest to be Reimbursed									
Interest Reimbursed to Date									
Remaining Interest to be Reimbursed									
Project Financial Activity									
12/31/22 Fund Balance	$ -	$ 3,504.76	$ 35,387.29						
TOTAL 2023 REVENUES									
Application Fee	$ -	$ -							
Interest Revenue*									
TIF Revenue/Capture	$ 427,757.70	$ 3,055.01	$ 63,480.22				$ 123,324.75		
Total Revenues	$ 427,757.70	$ 3,055.01	$ 63,480.22	$ -	$ -	$ -	$ 123,324.75	$ -	$ -
2023 EXPENDITURES									
Certified Expense Reimbursement	$ 402,916.70	$ -	$ 33,533.17						
Administrative Fee Transfer	$ 14,929.00	$ -	$ -						
LBRF Revenue or Deposit	$ -	$ 159.00	$ 3,208.00						
State of MI Brownfield Fund (Approved after 2014)	$ 9,912.00	$ 115.00	$ 4,629.50						
Total Expenditures	$ 427,757.70	$ 274.00	$ 41,370.67	$ -	$ -	$ -	$ -	$ -	$ -
Misc Refund									
Current Brownfield Account Balance	$ -	$ 6,285.77	$ 57,496.84	$ -	$ -	$ -	$ 123,324.75	$ -	$ -

***** ***Includes Admin and LBRF Funds***

Total of all 2022 CY TIF Reimburse Transfers	$ 4,056,410.84			
Total 2023 CY LBRF CAPTURE	$ 211,548.00			
Total fo all CY 2023 Admin Transfers (From 2022 Tax Year)	**$ 192,500.00**	**16 Active Projects**		
Total of all CY 2022 Admin Transfers	$ 192,500.00	16 Active Projects		
Total of all CY 2019 Admin Transfers	$ 165,000.00	15 Active Projects		
Total of all CY 2018 Admin Transfers	$ 164,999.72	15 Active Projects		
Total of all CY 2017 Admin Transfers	$ 164,113.00	15 Active Projects		
Total of all CY 2016 Admin Transfers	$ 150,739.88	ACCOUNT BALANCES SUMMARY		
Total of all CY 2015 Admin Transfers	$ 114,437.35	Admin Fund Cash Reserves as of 9-30-23	**$**	**158,295**
Total of all CY 2014 Admin Transfers	$ 87,198.19	LBRF Interest earned since 2017 as of 93-30-23 (inc. in bal. below)	**$**	**146,498**
2022 LBRF Capture Running Current Yr Total	$ 211,548.00	LBRF Balance as of 9-30-23	**$**	**1,666,719**

TRANSACTION APPROVALS REQUESTED

PROJECT

	Summer Capture	**Withhold 3 Mills S**	**LBRF Capture ****		**Developer Reimbursement**
Grand Total	$ -		$ -	$ -	