

**COUNTY ADMINISTRATOR**  
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**TO:** Wesley Prater, Chair  
Board of Commissioners

**THROUGH:** Robert E. Guenzel  
County Administrator

**FROM:** Anthony VanDerworp  
Director, Department of Planning and Environment

**DATE:** April 20, 2005

**RE:** Consideration of a Resolution to Adopt the proposed Amendment to the Brownfield Plan for Washtenaw County Approving a Single Business Tax Credit Incentive for the Village of Dexter's "Monument Park" Brownfield Redevelopment Project

**ACTION REQUESTED**

It is requested that the Washtenaw County Board of Commissioners consider adoption of the proposed Amendment to the Brownfield Plan for Washtenaw County (Plan), Approving a Single Business Tax Credit Incentive for the Village of Dexter's "Monument Park" Brownfield Redevelopment Project.

**State of Michigan Brownfield Redevelopment Financing Act Requirements**

Pursuant to the State of Michigan Brownfield Redevelopment Financing Act (P.A. 381 of 1996, as amended) herein referred to as the "Act, Item 125.2664 Brownfield plan as public purpose; determination; amendments to plan; validity of procedure, notice, and findings; presumption; Sections 14 (1) (a) through (d) requires Washtenaw County Board of Commission consideration of the following:

- (a) Whether the plan meets requirements of Section 13 (Brownfield Plan provisions).  
*After careful review of the proposed project and Amendment to the Brownfield Plan by the Washtenaw County Brownfield staff and Washtenaw County Brownfield Redevelopment Authority (WCBRA), all provisions were met or found not to be applicable relative to TIF since the Dexter DDA is responsible for covering TIF related expenses (i.e., description of eligible costs to be paid through TIF, estimate of captured taxable value and tax increment revenues, method by which eligible costs will be financed, maximum amount of note or bond indebtedness incurred, duration of brownfield plan, estimate of impact of TIF on revenues of all taxing jurisdictions, legal description of parcel, estimate of persons residing on property that will be displaced, plan and expense to relocate those persons if applicable, compliance with PA 227, proposed use of local site remediation revolving loan fund, other materials that the authority or governing body considers pertinent, amount of school taxes captured does not exceed amount of all other taxes captured for all local taxes, TIF shall only be used for eligible expenses on eligible parcels, authorization to continue TIF once expense are repaid to capitalize a local site remediation revolving loan fund, but not to exceed the total amount of TIF captured for eligible expenses, investigation of ability to capture expenses from a responsible party, Public Hearing notification parameters, Michigan Economic Growth Authority approval needed once local approvals met, reimbursement of administrative and operating fees).*
- (b) Whether the proposed method of financing the costs of eligible activities is feasible and the authority has the ability to arrange the financing.  
*Review of the proposed development and resulting incremental tax revenue are not applicable under this amendment as the Dexter DDA is responsible for covering the estimated cost of eligible activities and none are being requested for reimbursement through this plan.*

- (c) Whether the costs of eligible activities proposed are reasonable and necessary to carry out the purposes of this act.  
*Review of the environmental assessment information and proposed estimated clean-up activities proposed eligible activities for this property were found to be both reasonable and necessary to meet the State's risk based standards for the intended new purpose resulting from this development.*
- (d) Whether the amount of captured taxable value estimated to result from adoption of the plan is reasonable.  
*After careful review by Washtenaw County Brownfield staff and the WCBRA, it was determined that the amount of captured taxable value was found to be reasonable. Further, the Village of Dexter Council unanimously approved the Amendment to the Plan on March 14, 2005 (resolution attached) and the WCBRA approved the Amendment to the Plan on April 14, 2005.*

## **BACKGROUND**

In May of 1999, the Washtenaw County Board of Commissioners established the WCBRA through Resolution 99-0110, and subsequently appointed members to its Board of the same year (Res. 99-0122). In February 2000, the Commissioners approved the bylaws of the Authority, as approved by the Washtenaw County Brownfield Redevelopment Authority Board on October 22, 1999 (Res. 00-0035). In October of 2000, Commissioners adopted the Brownfield Redevelopment Plan for Washtenaw County. In accordance with the Act, the Washtenaw County Board of Commissioners set a public hearing on the adoption of the proposed Amendment for April 6, 2005, notice of which was given as required by the provisions of the Act.

## **DISCUSSION**

The Washtenaw County Board of Commissions has demonstrated its support for the sustainable redevelopment of environmentally distressed sites in Washtenaw County. By establishing and supporting the Brownfield Redevelopment Authority and its Board, the commissioners have begun the process to transform underutilized brownfields into productive properties.

### The Project

The "Monument Park" project is a \$2.8 million mixed-use commercial and office development on a brownfield site located in the Village of Dexter, a municipal member of the Washtenaw County Brownfield Redevelopment Authority. This Amendment is solely for a SBT Credit application to the State of Michigan Treasury Department for up to \$210,000 in SBT credits. Other brownfield eligible expenses related to contamination issues resulting from leaking underground storage tanks from a gas service station previously located on the site and estimated at \$200,000, are being covered through the Village of DDA funding.

### Incentives Requested

Pursuant to the Act, the WCBRA has the authority to provide eligibility for Single Business Tax (SBT) Credit incentives to help encourage brownfield redevelopment over green space development. For this proposed project, approximately \$210,000 in SBT credits for eligible investments on the property (i.e., site preparation, building, equipment).

### Village of Dexter Action

On March 14, 2005, at their regularly scheduled Council Meeting, the Village of Dexter reviewed the proposed Plan and unanimously passed a resolution to concur with the provisions of the Amendment to the Brownfield Plan and recommends it be approved by the Washtenaw County Board of Commissioners in accordance with Act 381.

### WCBRA Action

Pursuant to the Act, the WCBRA prepared an Amendment to the Plan for the Approval of Single Business Tax Credit Incentives for the Village of Dexter's "Monument Park" Brownfield Redevelopment Project which is located within the Washtenaw County brownfield redevelopment zone. The WCBRA Board approved this Amendment to the Brownfield Plan at a specially scheduled Board meeting on April 14, 2005.

### Washtenaw County Board of Commissioner Approval Considerations

The Board of Commissioners has the authority to approve, reject or approve with modifications the proposed Amendment to the Plan. The WCBRA recommends approval of the Plan for the following reasons:

- The member community and its governing body, the Village of Dexter Council unanimously approved this project through a Resolution passed on March 14, 2005 and recommended that it be approved by the Washtenaw County Board of Commissioners;
- The contaminated property will be cleaned-up to the residential standards required by State of Michigan law;
- The property will be put back into productive use;
- The new development will create approximately 50 direct full and part-time jobs located on-site and the commensurate indirect/induced jobs in the local economy;
  
- The new development will increase the tax base for the Township, County and other relevant taxing jurisdictions to approximately \$75,000 annually;
- The County will be supporting brownfield redevelopment over Greenfield development;
- In approving the Amendment to the Plan, the Village of Dexter has demonstrated support of the County's brownfield redevelopment initiative and this project, showing true leadership in the County for sustainable redevelopment of environmentally distressed communities; and
- If not for the brownfield redevelopment incentives to be authorized through this Amendment to the Plan, this project will not move forward due to the approximate \$400,000 deficit in project expenses.

### **IMPACT ON PERSONNEL**

No impacts are indicated for this Resolution.

### **IMPACT ON BUDGET**

The Ad Valorem taxes currently being captured on this property in the amount of \$2,280 annually will continue to be distributed to the local taxing jurisdictions. Once the project is completed and all of the TIF eligible activities fulfilled, the estimated Ad Valorem taxes for this property will be approximately \$75,000 annually.

### **IMPACT ON INDIRECT COSTS**

No impacts are indicated for this Resolution.

### **IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES**

Guiding Principle No. 7 -- This project will allow the Village of Dexter (who has joined the WCBRA to be included in the redevelopment zone) and the County to partner together in pursuing sustainable land use practices by remediating and putting back to productive use environmentally distressed areas.

### **CONFORMITY TO COUNTY POLICIES**

This action is in conformance with County policies. The proposed Plan was approved by the Village of Dexter Council on March 14<sup>th</sup> through a Resolution of the same date, and the WCBRA at a specially scheduled Board meeting on April 14<sup>th</sup>. The proposed Amendment to Plan has been reviewed by Corporation Counsel, Finance and County Administration

### **ATTACHMENTS/APPENDICES**

Attachment A Resolution to Adopt the Amendment to the Brownfield Plan

Attachment B Proposed Amendment to the Brownfield Plan for the Village of Dexter's "Monument Park" Brownfield Redevelopment Project

Preparer: Patricia Denig, Director of Planning Services

A RESOLUTION ADOPTING THE PROPOSED AMENDMENT TO THE BROWNFIELD PLAN FOR WASHTENAW COUNTY APPROVING A SINGLE BUSINESS TAX CREDIT INCENTIVE FOR THE VILLAGE OF DEXTER'S MONUMENT PARK" BROWNFIELD REDEVELOPMENT PROJECT

WASHTENAW COUNTY BOARD OF COMMISSIONERS

April 20, 2004

WHEREAS, the Washtenaw County Board of Commissioners, supports the sustainable redevelopment of environmentally distressed sites designated as brownfields; and

WHEREAS, through Resolution 99-0110, the Washtenaw County Board of Commissioners, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), established the Washtenaw County Brownfield Redevelopment Authority (the "WCBRA") to facilitate the implementation of plans relating to the identification and treatment of environmentally distressed areas in Washtenaw County; and

WHEREAS, through Resolution 00-0215, the Washtenaw County Board of Commissioners adopted the Brownfield Plan for Washtenaw County (the "Plan"); and

WHEREAS, the property located at 8031 Main Street (the "Property") in the Village of Dexter has been an environmental hazard, a "facility" under state statute; and

WHEREAS, a brownfield redevelopment plan has been prepared as an Amendment to the Plan, to restore the environmental and economic viability of the property; and

WHEREAS, Dexter Village has reviewed the Amendment to the Plan, and have been provided a reasonable opportunity to express their views and recommendations regarding it in accordance with Section 13(13) of the Act; and

WHEREAS, on March 14, 2005, Dexter Village Council unanimously passed a resolution concurring with the provisions of the Amendment to the Plan, including approval by the Washtenaw County Board of Commissioners and implementation by the WCBRA; and

WHEREAS, pursuant to and in accordance with Section 13 of the Act, the WCBRA, on April 14, 2005, voted to recommend that the Washtenaw County Board of Commissioners approve the Amendment to the Plan to be carried out within the Village of Dexter, relating to the redevelopment of the Property; and

WHEREAS, the Washtenaw County Board of Commissioners held a Public Hearing to receive comment on the proposed Amendment to the Plan pursuant to the Act; and

WHEREAS this matter has been reviewed by the County Administrator's Office and the Corporation Counsel; and

NOW THEREFORE BE IT RESOLVED, that the Washtenaw County Board of Commissioners accepts the concurrence of the Village of Dexter and adopts the proposed Amendment to the Plan, as attached hereto and made a part thereof.

BE IT FURTHER RESOLVED THAT should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

BE IT FURTHER RESOLVED THAT all resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.