



Brownfields are commercial or industrial properties where future use is adversely affected by real or perceived environmental contamination, blight, functional obsolescence, or land bank ownership. Addressing brownfield conditions is often cost-prohibitive, leaving contaminated and vacant properties in our urban cores, towns, and villages.

The goal of the Michigan Department of Environmental Quality's (MDEQ) Brownfield Redevelopment Program is to provide incentives to address the environmental conditions on these brownfield properties, facilitating productive reuse of blighted, contaminated property.

The MDEQ's Brownfield Redevelopment Program utilizes a combination of grants, loans and tax increment financing (TIF) to help address brownfield challenges. Brownfield TIF is co-managed by the MDEQ and the Michigan Economic Development Corporation (MEDC). The MDEQ approves environmental activities, while the MEDC approves site preparation costs like grading, demolition, and infrastructure.

In addition to brownfield grants, the MDEQ Brownfield Redevelopment Program has also provided significant funding for waterfront redevelopment projects, MDEQ Waterfront Redevelopment Grants revitalized waterfronts, created economic benefit, and provided public waterfront access. Communities utilized these funds to purchase waterfront property for public use, build boardwalks and walkways, upgrade park infrastructure, and install canoe launches. Infrastructure upgrades helped communities comply with the Americans with Disabilities Act. Funding for this program was available between 1999 and 2008, and is now exhausted.

In 2016, the MDEQ approved \$7.2 million in brownfield TIF and awarded \$6.1 million in brownfield grants and loans for 26 projects. The MDEQ's investment will leverage 1,200 jobs and \$460 million in private investment. **The return on investment for 2016 MDEQ brownfield funding is projected to result in \$34 for every \$1 of MDEQ funding.**

Current MDEQ brownfield fund balances stand at approximately \$7 million in brownfield grants and \$6.7 million in brownfield loans.

The Brownfield Redevelopment Program is an opportunity for the MDEQ to be an active, positive partner in economic development and highlights the success of public-private partnerships.

## MICHIGAN BROWNFIELD REDEVELOPMENT PROGRAM

### By The Numbers

Since the inception of Michigan's Brownfield Redevelopment Program in 1992:

- **\$200 million** in brownfield grants and loans has been awarded for **350 projects**
- **\$235 million** in brownfield TIF has been approved for **550 projects**
- **\$50 million** in waterfront development grants has been awarded to **72 communities**
- MDEQ brownfield funding has been used at projects in 68 of Michigan's 83 counties

# MICHIGAN BROWNFIELD REDEVELOPMENT PROGRAM

## Uptown at River's Edge

1100 South Washington  
Bay City, Michigan  
[www.uptownbaycity.com](http://www.uptownbaycity.com)

*Before photo courtesy of [www.nailhed.com](http://www.nailhed.com). After from City of Bay City.*



The former Industrial Brownhoist site, located on the eastern shore of the Saginaw River, was neglected and abandoned for almost 15 years. After years of looking for the right development project, the city partnered with Uptown at River's Edge to create the largest commercial/office redevelopment built in Bay City in decades. The MDEQ awarded the city of Bay City a \$1 million loan and \$1 million grant to address the brownfield issues and facilitate the redevelopment.

### Site Characteristics and History

Industrial Brownhoist was a manufacturer of huge railroad cranes. Bay Aggregate shipped boulder-sized rocks until it relocated in 2000 and the city purchased the riverfront property using a DEQ waterfront redevelopment grant.

### Environmental Issues and Remediation

Nearly 100 years of industrial uses left the 43-acre site contaminated. The grant was used to dispose of contaminated soils, treat and remove contaminated groundwater, demolish a dangerous and contaminated building, and cap remaining contaminated fill. A US Environmental Protection Agency (EPA) grant was used to address contamination from an old coal gasification tar pit.

### Redevelopment

Several redevelopment projects were considered, but the city didn't find a good fit for the site for several years. Finally, in 2011, SSP Development, LLC, a local developer, proposed a mixed use development that takes advantage of the riverfront site with a marina and public access to the river. To date, \$54 million has been invested and more than 400 jobs created or relocated. In August of 2014 Dow Corning moved approximately 310 employees into its new 100,000 square foot office building, followed by a Chemical Bank branch, restaurants, a hair salon, McLaren Health facility, coffee shop, and a Courtyard by Marriott hotel. The project also includes 22,000 square feet of residential space in condominiums and townhouses.

### Funding and Incentives

- \$1 million DEQ Brownfield Redevelopment Grant
- \$1 million DEQ Brownfield Redevelopment Loan
- \$3.06 million DEQ Waterfront Redevelopment Grant
- \$4,78 million DEQ Tax Increment Financing (TIF)
- \$1.4 million US EPA grant
- \$30.26 million Michigan Economic Growth TIF

### Outcomes

- State Equalized Value (SEV) increased from \$58,250 to \$5,265,328 (2016)
- \$54 million in private investment to date (2016)
- 400 full-time jobs
- 28 residential units
- Ongoing development is expected to bring the investment to \$100 million
- 10,000 tons contaminated soil removed
- 68,000 gallons contaminated groundwater removed