

# Muskegon Lakeshore Redevelopment

Funding Sources for Redevelopment,  
Economic and Community Development

**West Michigan Chapter Air & Waste Management Association**

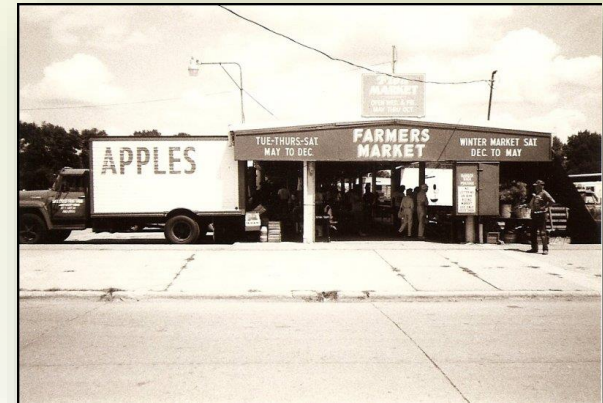
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September 14, 2022

# Brownfield Redevelopment, Community Development and Economic Development

- Economic Development Tools needed to address challenges posed by brownfield conditions:
  - Legacy contamination
  - Blighted conditions requiring demolition
  - Asbestos
  - Buried demolition debris
  - Outdated infrastructure
  - Site Preparation requirements (e.g., soil conditions)
- Since these are not challenges created by the development or developer, economic incentives are needed to make project costs comparable to other urban, non-brownfield development sites.



# Federal Funding Tools - U.S. EPA Grants

- Assessment – provides funding for brownfield inventories, assessment, cleanup planning, and community outreach
- Cleanup – funding to carry out required cleanup activities at a site owned by the applicant
- Revolving Loan Fund – funding to capitalize a loan program for cleanup activities.
- Multi-Purpose – funding to conduct a range of eligible assessment and cleanup activities at a site or sites in a target area.
- Job Training – funding to establish and operate an environmental job training program
- State and Tribal Program Grants – non-competitive funding to enhance State and Tribal environmental response programs





# Federal Funding Tools - *U.S. EPA Grants*



- Competitive
- Allocated annually
- Eligible Recipients include
  - Local Units of Government
  - Land Clearance Authority
  - Regional Council or Group of General Purpose Units of Governments
  - Redevelopment Agency
  - States and Tribes
  - 501(c)(3) Non Profits (including LLCs and LPs made up of 501(c)(3) members)
  - Qualified Community Development Entities

# Federal Funding Tools - *Infrastructure Law*

- Bipartisan Infrastructure Law – Includes a historic investment in brownfields
  - \$1.5 billion investment in the EPA's Brownfields Program over five years (Approximately \$300 million/yr.)
  - Brownfield Assessment Grants (\$600 million) over 5 years
  - Cleanup Grants (\$160 million)
  - Multipurpose Grants (\$150 million)
  - Revolving Loan Fund Grants (\$150 million)
- Targeted Brownfield Assessments
- TAB – Technical Assistance to Brownfield Communities



## ONCE IN A LIFETIME INVESTMENT IN BROWNFIELDS

The Bipartisan Infrastructure Law is investing \$1.5 billion in brownfield revitalization to scale up community-led redevelopment.

**WHAT TYPE OF FUNDING WILL BE AVAILABLE FOR COMMUNITIES?**  
Direct grants and technical assistance from the U.S. EPA Brownfields Program.

- Brownfield Assessment Grants (\$600 million)
- Cleanup Grants (\$160 million)
- Multipurpose Grants (\$150 million)
- Revolving Loan Fund Grants (\$150 million)

**WHEN WILL THE FUNDS BE AVAILABLE?**  
It is anticipated the proposal guidelines will be released in September.\* If so,

- Proposals will be due in November of 2022.
- Grants will be awarded in the summer of 2023.

**HOW TO ACCESS GRANT GUIDELINES**  
Funding guidelines will be released through the U.S. EPA Brownfields Program.

- [www.epa.gov/brownfields/brownfields-assessment-grants](http://www.epa.gov/brownfields/brownfields-assessment-grants)
- Envirollogic's team of brownfield specialists will also notify you of the release.

**HOW TO PREPARE FOR THE REQUEST FOR APPLICATION**  
Refer to our "how-to" guide on page two of this document for suggestions.

\*Funding amounts and deadlines are tentative and subject to change per the U.S. EPA.

(800) 272-7802    [brownfields@envirollogic.com](mailto:brownfields@envirollogic.com)    [www.envirollogic.com](http://www.envirollogic.com)



# Federal Funding Tools



- U.S. Small Business Administration ([sba.gov](http://sba.gov))
  - Loans, grants (non-profit/educational only), bonds
  - SBA 7(a) loans (business), Microloans, 504 loans (real estate and equipment)
- U.S. Department of Housing and Urban Development ([hud.gov](http://hud.gov))
  - Community Development Block Grant (CDBG)
  - Section 108 Loan guarantee
- USDA Rural Development Program ([rd.usda.gov](http://rd.usda.gov))
  - Grants, loans, loan guarantees
- Federal Tax Credits
  - Federal Historic Rehabilitation Tax Credit ([nps.gov/tps/tax-incentives.htm](http://nps.gov/tps/tax-incentives.htm))
  - New Market Tax Credits ([www.cdfifund.gov](http://www.cdfifund.gov))
  - Low Income Housing Tax Credits ([huduser.gov](http://huduser.gov))
  - Opportunity Zones ([cdfifund.gov](http://cdfifund.gov))
- Economic Development Administration ([eda.gov](http://eda.gov))

# State Funding Tools – *Michigan Department of Environment, Great Lakes and Energy (EGLE)*

- Brownfield Redevelopment Assessments, Section 128(a) and 104(k) – federal funding
  - Site specific assessment activities
- Brownfield Redevelopment Grants and Loans
  - Renewing Michigan's Environment Program
    - \$10 million annually – Grants and Brownfield Site Assessments
  - Refined Petroleum Fund – typically \$5 million annually – Grants and BSA
  - Brownfield Loans approximately \$3.5 million available
  - For FY23 – more requests than funds available
  - Start planning for FY24 projects
  - Applications from LUGs, BRA's, EDC's, etc., accepted year-round



MICHIGAN DEPARTMENT OF  
ENVIRONMENT, GREAT LAKES, AND ENERGY

30+  
years

# State Funding Tools - *Michigan Economic Development Corporation & the Michigan Strategic Fund (MEDC/MSF)*

- Michigan Community Revitalization Program – Grant/Loans for downtown projects; awards up to 25% of the investment
- Community Development Block Grants (CDBG) distribution to Local Units of Government
- Brownfield Tax Increment Financing
- Business Development Program – grant program for new full-time job creation programs
- Critical Industry Program
- Strategic Site Readiness Program
- Jobs Ready Michigan Program

The logo for the Michigan Economic Development Corporation (MEDC) features the letters M, E, D, and C in white, each contained within a separate blue square. The squares are arranged horizontally and are separated by thin white lines.

MICHIGAN ECONOMIC  
DEVELOPMENT CORPORATION



# State Funding Tools – Michigan Economic Development Corporation & the Michigan Strategic Fund (MEDC/MSF)

- Revitalization and Placemaking
  - \$100 million ARPA funds
- New State Historic Tax Credit
  - \$5 million annual cap
  - \$2 million for commercial with expenses > \$2 million
  - \$2 million for commercial with expenses < \$2 million
  - \$1 million total for owner-occupied residential projects
- Build MI Community Grant
  - Access to gap financing for real estate development in Geographically Disadvantaged Areas
  - Targeted at property owners and developers with limited experience
  - \$50,000 to \$250,000 award at completion of project and development milestones
- Redevelopment Ready Communities – required program certification for communities to have access to State incentives.

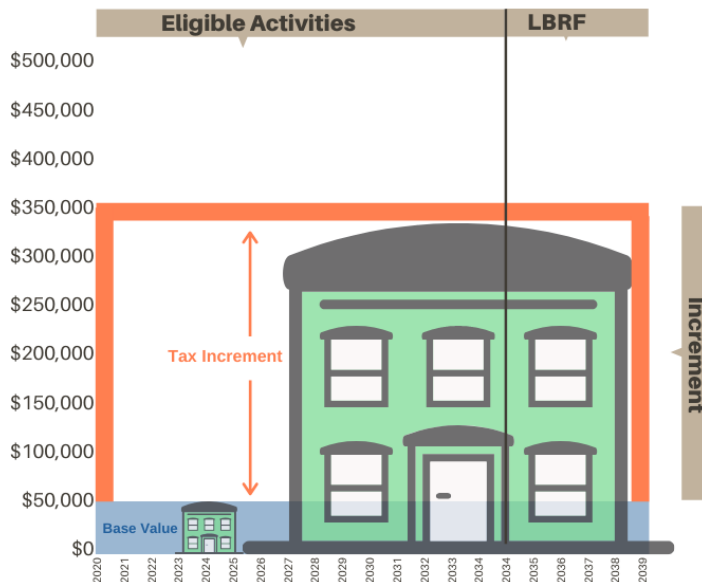


# Local Tools and Resources

- Brownfield Redevelopment Authorities
- County Land Bank Authorities
- Downtown Development Authorities
- Local Development Financing Authorities (LDFA)
- Downtown Development Authority
- Corridor Improvement Authority
- Historic Neighborhood Tax Increment Financing Authority
- Neighborhood Improvement Authority
- Industrial Facilities Tax Abatement
- Obsolete Property Redevelopment
- Commercial Redevelopment Act (12-year property tax abatement)
- Commercial Rehabilitation Act (10-year property tax abatement)
- Conditional Land Use Transfers (PA425)
- Neighborhood Enterprise Zone (15 year tax reduction period to promote development and rehabilitation of neighborhoods and residential housing)
- And more

# Brownfield Plans and Tax Increment Financing

## Tax Increment Financing



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

[www.envirollogic.com](http://www.envirollogic.com)

## Example:

- Base Assessed Value = \$50,000
- Tax Increment = Assessed property value increases from \$50,000 to \$350,000
- Tax Increment Revenue = Taxes created by the new development used to pay back “eligible” development costs.
- Local Brownfield Revolving Fund (LBRF) = Tax Increment capture collected by the Authority to fund other BF projects.

# Community Development

- Communities need to benefit from the Public-Private Partnership
  - Jobs
  - New Taxes
  - New Housing
  - Other Revenues
  - Neighborhood Improvements (Food Deserts, Access to medical care, new public infrastructure, etc.)
  - Community Improvements (Blight elimination, removal of dangerous structures,
- Gentrification
- EJ40 Initiative



# Wrap Up

- Brownfield Redevelopment is a very powerful economic development tool.
- Be creative and innovative when applying these tools – flexibility is possible.
- Bring Brownfield discussion to the potential development early.
- Ability to layer incentives on a project:
  - Grants, loans, TIF, tax abatements, etc.
- Ability to close the “unfunded gap” on a project.
- Leverage other grant/loan programs – potential funds to overcome site conditions.





*Welcome To Muskegon  
West Michigan Air & Waste  
Management Association!*





# Muskegon Heights Downtown Vision

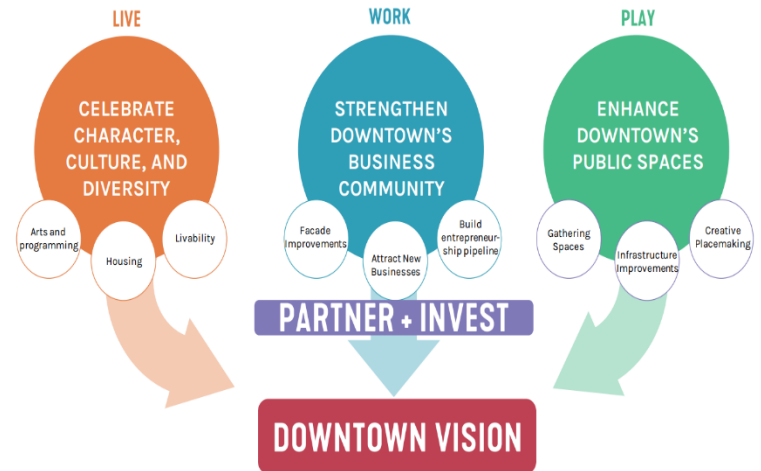
## PLAN INTRODUCTION



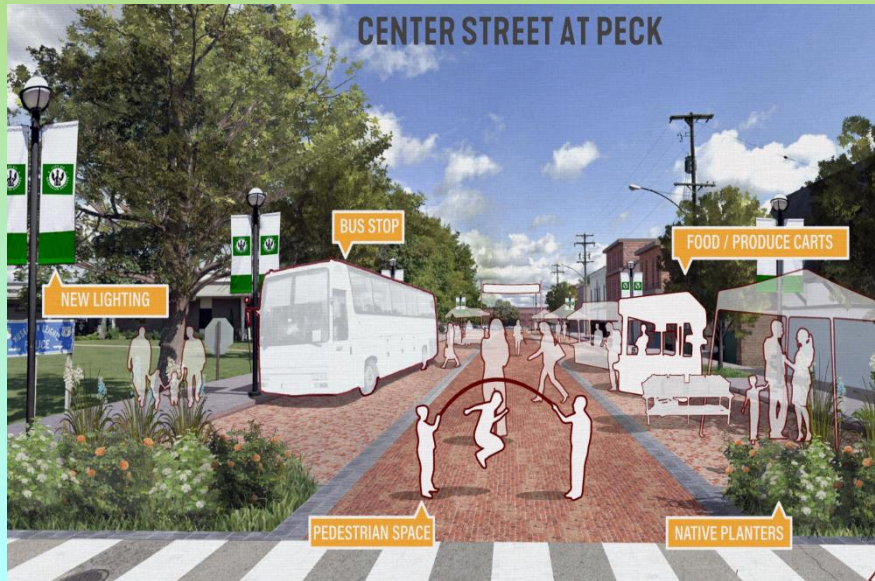
- Reaching NEW Muskegon Heights is a Downtown vision and strategy for the future
- Overall Downtown Vision Plan Goal:
  - Build community consensus around priorities for reinvestment in Downtown Muskegon Heights
  - Demonstrate unified in efforts, attract investment from partners
  - Applying for grants from the Foundation and others to start building



## PROJECT GOALS







[Reaching New Muskegon Heights  
Video](#)

