



Brownfield Redevelopment Authority
Of Jackson County

Served By The Enterprise Group

Jackson County Brownfield
Redevelopment Authority (JCBRA)

Policy and Procedures Manual

Approved by the JCBRA Board
On May 4, 2017

Current as of 5/4/2017



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JACKSON COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY POLICY AND PROCEDURES MANUAL

1. Purpose and Mission

Jackson County, Michigan actively supports the growth and development of local industry and business in a variety of ways, including areas where infrastructure, utilities and buildings already exist. This helps to preserve greenspace, open lands and makes efficient use of the capital improvements already in place in the County. Development of environmentally-distressed, abandoned and blighted properties (“Brownfields”) is also important to the County in order to eliminate blight, restore taxable value of land, create jobs and economic opportunity, address environmental contamination, advance development patterns and infrastructure investment programs that improve economic development prosperity, and create healthy, environmentally sustainable and opportunity-rich communities for all Americans, regardless of race or income.

To support this public purpose, the County established a Brownfield Redevelopment Authority in 1999.

It is widely recognized that there often is a greater cost of redeveloping Brownfield properties compared to undeveloped or uncontaminated property. The State of Michigan has enacted programs to assist in the redevelopment costs of Brownfields, including tax increment financing programs for eligible activities. State and Federal Grant and Loan programs are also available to assist with Brownfield redevelopment costs. The mission of the Jackson County Brownfield Redevelopment Authority is to promote Brownfield Redevelopment in the County through the administration of these programs and promotion of these incentives in the business community.

2. Contact Information

The Jackson County Brownfield Redevelopment Authority (JCBRA) is staffed and administered by The Enterprise Group of Jackson, Inc. Primary contacts for the JCBRA are:

Amy Torres, Executive Director
Jackson County Brownfield Redevelopment Authority
100 E. Michigan Avenue, Suite 1100
Jackson, MI 49201
517-788-4458
atorres@enterprisegroup.org

Debbie Kelly
Director of Marketing
Jackson County Brownfield Redevelopment Authority
100 E. Michigan Avenue, Suite 1100
Jackson, MI 49201
517-788-4330
dkelly@enterprisegroup.org

3. Programs Administered

The JCBRA has authority to administer the County's Brownfield Program in all areas of Jackson County, with the adoption of a resolution by the respective local unit of government (LUG) when it pertains to adoption of Brownfield Plans.

The JCBRA assists in Brownfield Redevelopment activities at eligible properties through grants, loans, and other incentives to assist in the costs related to various eligible Brownfield Redevelopment activities including:

- a. Phase I Environmental Site Assessments
- b. Phase II Environmental Site Assessments
- c. Baseline Environmental Assessments
- d. Due Care Plans
- e. Brownfield Plan Development
- f. Asbestos and Lead Paint Assessment and Removal
- g. Demolition
- h. Environmental Cleanup
- i. Other Response Actions necessary to redevelop or cleanup a site

The JCBRA administers the following programs to assist in these activities, depending upon funding availability and eligibility:

- a. U.S. EPA Assessment Grant Funds (Hazardous Substances and Petroleum-Contaminated Sites) – Used for eligible assessment activities at eligible properties. Preference is given to projects that are located in a known brownfield site, support economic growth and create tax increment.
- b. Brownfield Cleanup Revolving Loan Fund (BCRLF) Repayment Fund – This fund is generated from repayment of the County’s BCRLF Pilot. Preference is to use these funds for loans or grants for eligible activities on eligible properties.
- c. Access to State Grants and Loans – As available, the County may secure Grants and Loans from the State of Michigan to assist in redevelopment of a site.

4. *Application Process*

Persons wishing to access funding or program support for a Brownfield Redevelopment project shall submit a Project Funding Application describing the project, the projected needs, benefit to the community, and other pertinent information. The application form can be found at <http://enterprisegroup.org/partners/jcbra/>.

The completed Project Funding Application Form (Attachment A) will be submitted to the Executive Director of the Brownfield Redevelopment Authority. The Executive Director will notify the Local Unit of Government (LUG) in which the project exists to ascertain the LUG’s support for the project, if a Brownfield Plan is anticipated. In this notice (Attachment B), the Authority will notify the LUG of its intent to pursue any local and school tax increment created for the reimbursement of eligible activities undertaken by the Authority, Developer or both. Support for the project by the LUG does not obligate them to subsequently approve a resolution in support of a Brownfield plan, if applicable, to the project.

Projects implemented utilizing U.S. EPA Assessment Grants or State Grants or Loans secured by the County shall be completed by an approved consultant retained by the JCBRA. The Applicant shall provide access to the property for inspection by the Authority Staff and its approved environmental consultant. The applicant shall provide regular updates and timely responses to any information requests to ensure full communication and cooperation between all parties.

The applicant will be asked to consider providing a public benefit, which would positively affect the neighborhood in which the project is located. A list of community organizations, opportunities, and resources will be provided to the applicant. Within two years after the project is deemed complete, the applicant will be asked to state how their project has provided a public benefit, if applicable.

This action will take place simultaneously, as the JCBRA considers the application for funding. In the case a LUG expresses lack of support for a project, the Executive Director

will facilitate meetings to reach a solution agreed upon by all parties. It may be necessary to suspend work while these negotiations take place.

5. Loan Review Process

Developers may wish to secure a loan financed by the JCBRA, subject to funds availability. Depending upon the source of funds, loans may be available for assessment activities (Phase I and II Environmental Assessment and Baseline Environmental Assessments), cleanup, demolition, asbestos and lead paint abatement, due care planning and implementation, and other response actions necessary to redevelop a site.

An interested party should complete the Project Funding Application Form (Attachment A) and submit it to the Executive Director of the JCBRA. Sites and loans will be evaluated and prioritized based on, but not limited to, the following criteria:

- a. Site eligibility, credit worthiness and the ability to repay the loan – projects with strong financial capacity and a secure means of repayment, such as tax increment will be ranked higher than those that do not;
- b. Economic development potential, such as investment, job creation and retention, and projects that leverage private funds. Projects with job creation or retention or an increase in taxable value score higher than those that do not;
- c. Fit with community plans for growth – projects with appropriate development, compliance with zoning, land use and master plans and other factors will be preferred;
- d. Potential to advance development patterns and infrastructure investment programs that achieve improved economic prosperity, and healthy, environmentally sustainable, and opportunity-rich communities for all Americans, regardless of race or income;
- e. Reuse of infrastructure and sustainability features – projects that utilize existing infrastructure, incorporate green building practices, LEED projects, or projects which have an alternative energy component or incorporate other sustainable features will be ranked higher than those that do not;
- f. Creation and preservation of open space– projects incorporating open space into the development, particularly for trail ways or public access will be ranked higher than those that do not; and
- g. Funds availability.

Where applicable, sites and borrowers will be screened for eligibility under Michigan's Brownfield Redevelopment Financing Act (1996 PA 381, as amended), U.S. EPA Grant Proposal Guidelines or other relevant criteria. This review will be completed by JCBRA staff.

Once evaluated, potential Borrowers/Developers will also be required to provide detailed cleanup plans, budgets and schedules, and demonstrate that cleanup plans

have been reviewed and approved by MDEQ. The Authority reserves the right to require a fee to cover actual costs of technical and legal oversight related to the review of these plans.

The existing Economic Development Corporation of Jackson County (EDC) Loan Review Committee, which is comprised of two local lenders, an accountant, a title company representative, the EDC Executive Director, and a member representing local business will act as the Authority's Loan Review Committee. The Loan Review Committee will evaluate the borrower's credit worthiness, collateral value, and the relationship of this loan to other financing arrangements, anticipated investment and costs, environmental risks and other fiscal information to develop a loan package for JCBRA staff to present to the borrower. No minimum or maximum loan amounts will be established. Loan terms are envisioned to be three to 15 years with the possibility that payments are deferred for a limited time for certain projects (such as affordable housing). The intention is to coordinate the maturity of the loan with any other financial support for the project so that the developer/borrower can refinance the loan with the increased collateral value brought by the redevelopment effort. Interest rates charged for loans secured from JCBRA funds will be negotiated on a case-by-case basis. Depending upon circumstances of the project, interest may be deferred until the redevelopment activities are complete (i.e., affordable housing projects). Personal guarantees will be required. A fee will be charged if a monthly payment is more than 10 days overdue.

The Loan Review Committee's legal counsel will prepare loan documents for review by and at the expense of the borrower. In addition, the JCBRA will draft a development agreement (See Attachment C for an example) that memorializes the expectations of the proposed cleanup and/or development and sets requirements that will address the goals of the County's Brownfield Program, i.e., improving community health and prosperity, affordable housing, advance development patterns and infrastructure investment programs that improve economic development prosperity, and create healthy, environmentally sustainable and opportunity-rich communities for all Americans regardless of race or income, preservation or creation of greenspace, reuse of infrastructure, etc. Within the loan and development agreements, the borrower will agree to provide access to the property for inspection by the JCBRA Staff, its approved environmental consultant, and other contractors and agents of the JCBRA.

6. Reimbursement/Development Agreements

Applicants accessing funds to complete assessments, cleanup or other activities which will be reimbursed through tax increment may be asked to enter into a Reimbursement and/or Development Agreement with a promise to repay the JCBRA's expense should the project not come to fruition.

Development Agreements are also required for projects where Michigan Strategic Fund (MSF) or Michigan Department of Environmental Quality (MDEQ) approval is needed. Development Agreements will also be secured for projects accessing a loan from the JCBRA for redevelopment activities.

Sample Reimbursement and Development Agreements are provided in Attachments C and D.

For certain projects, developers may also be required to provide a Performance Bond, Letter of Credit, or other means to secure the viability of the project and the JCBRA's financial position in support of the project.

7. Fees

Applicants must submit a completed and signed Project Funding Application to JCBRA Staff with a non-refundable fee. For projects under \$100,000 investment, the fee will be \$500. For projects between \$100,001 and \$500,000 investment, the fee shall be \$1,250. For projects over \$500,001 investment, the fee shall be \$2,500.

Applications accepted for development of a Brownfield Plan shall include a one-time fee of \$2,500, unless waived by the Authority. Loans processed through the JCBRA will also have closing fees, which will be detailed during the loan application process and closing negotiations.

Fees may be waived for projects undertaken by local units of government, non-profit organizations or other projects as deemed appropriate by JCBRA Staff and with full JCBRA approval.

8. Interest Policy

Under special circumstances, and at the discretion of the JCBRA Executive Director and JCBRA Board of Directors, The JCBRA may allow a Developer to include interest expense in the Brownfield Plan. Typically, a nominal rate of 2% will be provided. Interest expense shall be calculated from the time that a complete and acceptable reimbursement request has been approved by the JCBRA. No interest expense shall be accrued for the period between incurring the expense and submittal of a complete reimbursement request. Interest will not be allowed to accrue during a period of time in which there is no tax increment.

9. Adoption of a Brownfield Plan

The JCBRA shall adopt a Brownfield Plan through completion of the following, as applicable to the project:

- a. A Draft Brownfield Plan shall be prepared by the County Brownfield Redevelopment Authority's approved consultant.

- b. The Brownfield Redevelopment Authority shall review the Plan and make a recommendation for adoption of the Plan.
- c. The Local Unit of Government in which the property exists will be made aware of the proposed adoption of the Brownfield Plan.
- d. A presentation will be made to the Local Unit of Government and a Resolution of Supporting Adoption of the Brownfield Plan will be secured.
- e. A notice of a Public Hearing will be published once in a newspaper of general circulation not less than 10 days prior to the scheduled Public Hearing.
- f. Not less than 10 days prior to the Public Hearing, each of the affected Taxing Jurisdictions will be provided notice of the hearing.
- g. A Public Hearing will be held at a regular scheduled County Board of Commissioners' Meeting. . Following the Public Hearing, the County Commission shall take action on the Plan, as they see appropriate.

10. Reimbursements

Request for Reimbursement

The preferred order for reimbursement through a Brownfield Plan will be:

- a. JCBRA expenses
- b. Expended grant funds by the JCBRA
- c. Loan principal and interest
- d. Tax increment financing eligible developer expenses

Following payment of the above eligible expenses, it is the full intention of the JCBRA to include the capture of an additional five full years of tax increment for deposit in the JCBRA's Local Brownfield Revolving Fund (LBRF). Such action helps to sustain the County's Brownfield program.

Applicants who have successfully completed a project and seek reimbursement shall prepare a Reimbursement Package for submittal to the Authority Staff. The Reimbursement Package shall contain the following:

- a. A cover letter shall be included with each reimbursement request. This letter shall be signed by the property owner. The letter should include the following items:
 - 1) Project name and location where the work was performed
 - 2) Description of work
 - 3) Total amount requested
 - 4) Name and address of the owner (person or corporation) who is to receive payment.
 - 5) Critical project timeline and dates.

- b. If necessary, a letter from an environmental professional shall be included with each reimbursement request with the following certifications and information, as applicable:
 - 1) The environmental professional shall certify that the reimbursement request is an eligible expense under Act 381, as amended.\
 - 2) Project name and address where the work was performed
 - 3) Description of work
 - 4) Certification that the work was performed as stated in the Brownfield Plan, Work Plan and/or Development Agreement
 - 5) Total amount requested
 - 6) Cost breakdown by line item consistent with the budget in the Brownfield Plan, Work Plan and/or Development Agreement
 - 7) Signature and certification by an environmental professional regarding the above information
- c. Copies of invoices, including detailed invoice sheets shall be provided for all expenses included in a reimbursement request.
- d. Waivers of construction and material supplier liens
- e. Upon request by the JCBRA, the developer or owner shall provide evidence that the work was completed, such as notes, reports, pictures of work performed or a letter from an engineer or environmental professional certifying that the work was performed.

Terms and Conditions of Reimbursement

If the person or corporation who is to receive payment is not the owner of record of the parcel(s) at the time of the reimbursement request, there shall be included in the reimbursement request a signed affidavit that the parcel owner of record authorizes the reimbursement to the other party.

The Package shall be reviewed by the Authority Staff and, once approved, the Authority Staff shall transmit a Statement to the Treasurer of the Local Unit of Government to ensure disbursement of tax increment to the JCBRA for the approved costs, through the JCBRA's tax increment finance (TIF) collection procedures.

Tax Increment revenues will be disbursed to the Authority from the local Treasurer within 30 days following the winter and summer tax collection deadlines in February and September of each year. The Authority shall transmit any payments due to the Developer within 45 days of receipt of funds from the local Treasurer. Authority Staff shall maintain a schedule for reimbursements based on actual tax increment revenues. Should an applicant default on taxes, the Authority shall not be obligated to make reimbursement payments until the taxpayer is current. These requirements are to be further memorialized in a Reimbursement and/or Development Agreement, which takes precedence over this Policies and Procedures Manual.

Reimbursements shall not be paid to contractors or consultants who have worked on the project. Reimbursements shall be paid only to persons or corporations with whom a Reimbursement and/or Development Agreement has been executed at the time of request for reimbursement. Sample Reimbursement and Development Agreements are provided in Attachments C and D.

11. Amendments to Policy

Jackson County, through the JCBRA, reserves the right to amend this policy for different purposes which may include, but are not limited to: improvements which serve to benefit the Brownfield Redevelopment Process; changes in law and other applicable regulations on a local, state or federal level; and organizational changes affected by the County.

Changes to the policy will be approved by the JCBRA and made available to the community at large through its Web site and other mechanisms available to the Authority.

12. Attachments



Attachment A

JACKSON COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Project Funding Application

The Jackson County Brownfield Redevelopment Authority (JCBRA) administers several Brownfield Redevelopment programs in Jackson County. Funding may be available for certain eligible activities including: Phase I and II Environmental Site Assessments, Baseline Environmental Assessments, Due Care Plans, Clean-up Planning and Clean-up activities. This application (also found on the web site at <http://enterprisegroup.org/partners/jcbra>) has been developed for interested parties requesting potential Brownfield funding on a redevelopment project within Jackson County. Project funding will be considered by the JCBRA on a case-by-case basis considering the merits of the proposed project. Criteria for project consideration is listed on page 15 of this application. Based on a review of a completed application, you will be contacted within 10 business days to discuss the next steps in the process or if additional information is needed. Applicants must submit a completed and signed Project Funding Application to JCBRA Staff with a non-refundable fee, as follows:

<u>Project Investment</u>	<u>Application Fee</u>
\$100,000	\$ 500
\$100,001 to \$500,000	\$1,250
Over \$500,001	\$2,500

Please provide information in the areas listed below, if available. (Attach additional pages if needed)

1. Date of Application: _____

Business Information:

2. Name of Applicant: _____

3. Name of Project: _____

4. Business Address: _____

5. Business Telephone Number: _____

6. Contact Person(s): _____ Title: _____
7. Contact Person(s) Telephone Number: _____
8. Contact Person(s) Fax Number: _____
9. Contact Person(s) Email Address: _____
10. Entity Type: Proprietorship Partnership Corporation
 Other (specify): _____
11. Describe nature and history of business: _____

12. List similar projects developed over the last five years (if any): _____

13. Key Project Contacts:
- Bank/Financing: _____
- Attorney: _____
- Accountant: _____
- Others: _____

Project Information: (Attach maps, site plans, etc., if available. List as attachments at the end of the completed application)

14. Address(es) (if known): _____
15. Tax ID(s) (if known): _____
16. Present Owner(s): _____
17. Date Present Owner(s) Acquired Property (if known): _____

18. Does applicant have land control: No Yes

If yes, please describe (owner, lessee, option or purchase agreement, etc.):

19. Does the project comply with local zoning and other land use requirements?

No Yes

If no, please describe processes being undertaken to address local government concerns: _____

20. Any currently known environmental issues? _____

21. Is applicant a liable party for environmental issues at site? No Yes

22. Is access to site permitted? No Yes

23. Project type: New Relocation Expansion Rehabilitation

24. Project Description: Provide a short project description below, and **attach more detail and/or a Business Plan**, if available. _____

25. Project Size: Parcel size (acres): _____

Existing building area (square feet): _____

New building area (square feet): _____

26. Is project in one of the following (please check those that apply)?

Downtown Development District Renaissance Zone
 Local Development Finance Authority District Smart Zone

27. Project timeline (Proposed or Actual – circle one):

Start date: _____ Completion Date: _____

28. Does the project have the potential to advance development patterns and infrastructure investment programs that improve economic development prosperity, and create healthy, environmentally sustainable, and opportunity-rich communities for all Americans, regardless of race or income; sustainability features; creation or preservation of green space; energy conservation measures; alternative energy techniques; other unique environmental factors? (Please explain): _____

29. As an applicant for this funding, you are being asked to demonstrate how your project could provide a public benefit which would positively affect the neighborhood in which the project is located. A list of community organizations and opportunities is provided as part of this application. Within two-years after the project is deemed complete, the applicant will be asked to state how their project has provided a public benefit.

30. Additional materials (Please check those items that are available and attach to your application, if possible)

- Business Plan Financial Commitments Architectural/Site Plans
- Market Analysis Environmental Information/Reports
- Rezoning Approvals

Tax Base Information:

31. Total Investment Anticipated: \$ _____

If available, please attach a detailed projection of project costs and proposed funding sources. Categories of costs may include real estate, demolition, environmental, new construction, renovation, new equipment, and other as appropriate.

32. Eligible activities for which potential funding may be sought:

- Phase I ESA Phase II ESA BEA Due Care
- Clean-up Planning Brownfield Plan
- Other (describe)
- All of the above, if applicable

33. Current Taxable Value: \$ _____

34. Estimated Taxable Value after Project Completion, if known: \$ _____

Employment Information:

35. Full Time Equivalent (*FTE) Employees:

FTE Jobs Retained: _____ FTE Jobs Created: _____

**FTE example: 3 employees work 50 hours, 40 hours, and 10 hours respectively, in a week. Total hours worked is 100 divided by 40 hours = 2.5 FTE.*

36. APPLICATION VALIDATION:

List of attachments included with this application:

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

37. I certify that the foregoing is true and accurate to the best of my knowledge and that I am hereby authorized to submit this application on behalf of the proposed project and requesting party. Further, I certify that:

- a. The proposed project will be completed in a manner consistent and compliant with all applicable regulatory requirements;
- b. The proposed project will have the potential to advance development patterns and infrastructure investment programs that improve economic development prosperity, and create healthy, environmentally sustainable, and opportunity-rich communities for all Americans, regardless of race or income, sustainability features, creation of green space, preservation of valuable greenspace, energy conservation measures, alternative energy techniques, and/or other unique environmental factors; and
- c. The proposed project will demonstrate how the project could provide a public benefit which would positively affect the neighborhood in which the project is located. A list of community organizations and opportunities will be provided to the applicant. Within two-years after the project is deemed complete, the applicant will be asked to provide a letter to the JCBRA stating how their project has provided a public benefit.

Signature

Date

Title

Direct Office or cell phone number

Email address

If you have questions regarding the application, please contact:

Amy Torres, JCBRA Executive Director

100 E. Michigan Avenue, Suite 1100

Jackson, Michigan 49201

Office Phone: (517) 788-4458

Cell Phone: (517) 262-4799

E-mail: atorres@enterprisegroup.org

Current as of 03/31/17

Evaluation Criteria for JCBRA Funding Consideration

- Strength of Business Plan, financial commitments, architectural plans and/or market analysis
- Amount of property tax to be generated
- Amount of investment
- Business expansion, Full Time Equivalent (FTE) job retention, and FTE job creation. *(An FTE is the hours worked by one employee on a full-time basis, traditionally an eight-hour day; 40-hour week; 2,080 hours per year).*
- Location, proximity to other Brownfield projects, proximity to Target Area(s), other factors
- Extent to which project meets zoning requirements, consistency with Comprehensive Plan/Master Land Use Plan, supported by Local Unit of Government
- For residential projects, the extent to which the project is consistent with community housing strategies, creates mixed use redevelopment, creates downtown housing opportunities
- Extent to which environmental conditions are alleviated
- Liability status of the applicant, eligibility of the property and proposed activities
- Adoption of Sustainability features, creation of greenspace, preservation of valuable greenspace, energy conservation measures, alternative energy techniques, other unique environmental factors.
- Potential to advance development patterns and infrastructure investment programs that improve economic prosperity, and create healthy, environmentally sustainable, and opportunity-rich communities for all Americans, regardless of race or income.
- Applicant's willingness to consider providing a public benefit within the neighborhood in which their brownfield project is located.

Attachment B – Only used for potential Brownfield Plans

NOTIFICATION TO LOCAL UNIT OF GOVERNMENT

<Date>
<Village Manager/Township Supervisor>
<Address>

Re: <Project Name and Address>

The Jackson County Brownfield Redevelopment Authority (JCBRA) has received a request for assistance in the redevelopment of the above-referenced site. The JCBRA administers several programs to assist in the redevelopment of environmentally contaminated, blighted and distressed properties. These tools, which can include grants loans, and/or tax increment financing of eligible activities, is administered by the JCBRA throughout the County.

In order for the JCBRA to evaluate this request, we wish to understand if the Local Unit of Government (LUG) supports the proposed redevelopment. If the JCBRA funds this project, we intend to pursue collection of the local and school tax increment created by the project through a Brownfield Plan. The details of the Plan, which describes eligible activities and the term for reimbursement will be presented to the LUG. The adoption of a Brownfield Plan helps to ensure a sustainable funding source to address brownfields throughout the County.

A copy of the application is attached for your review. Please respond within 10 days if you have any concerns about this project or the Jackson County Brownfield Redevelopment Authority's funding of this project. You may respond via phone, e-mail, fax or in writing to:

Amy Torres, Executive Director
Jackson County Brownfield Redevelopment Authority
100 E. Michigan Avenue, Suite 1100
Jackson, MI 49201
517-788-4458
517-782-0061 (fax)
atorres@enterprisegroup.org

Thank you for your attention to this matter and your support for Brownfield Redevelopment in Jackson County, Michigan.

Sincerely,

Amy L. Torres
JCBRA Executive Director

Attachment C

SAMPLE DEVELOPMENT AGREEMENT

BROWNFIELD PLAN DEVELOPMENT AGREEMENT

THIS BROWNFIELD PLAN DEVELOPMENT AGREEMENT (the "Agreement"), is entered into on XXX ____, 20__ between the **JACKSON COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**, a Michigan public body corporate established pursuant to Act 381 of the Public Acts of 1996, as amended ("Act 381"), whose address is 100 E. Michigan Avenue, Suite 1100, Jackson, Michigan 49001 (the "Authority"), and XXX, a Michigan _____, whose address is XXX Street, CITY, Michigan ZIPCODE (the "Developer").

RECITALS

WHEREAS, the Authority and Jackson County have determined that brownfield redevelopment constitutes the performance of an essential public purpose which protects and promotes the public health, safety and welfare.

WHEREAS, Jackson County has established a Brownfield Redevelopment Authority (the "Authority") and the Authority and the County have adopted a Brownfield Plan (the "Plan"), pursuant to the provisions of PA, 1996, Act 381, being MCL 125.2651, et seq., (the "Act").

WHEREAS, Act 381 permits the use of the real and personal property tax revenues generated from the increase in value (the "Increment") to brownfield sites constituting Eligible Property under Act 381 resulting from their redevelopment to pay or reimburse the payment of costs of conducting Eligible Activities (these costs are referred to as "Eligible Costs") and, unless Developer is a liable party for the site contamination, permits the reimbursement to Developer of Eligible Costs it has incurred.

WHEREAS, Developer owns property in the Jackson County located at XXX Street (the "Property") and legally described on the attached Attachment A.

WHEREAS, the Property has been included in the Plan and qualified as an "eligible property" under the terms of the Act since (date and/or year).

WHEREAS, Developer has/intends to redevelop the Property by investing approximately \$XXX into (define project), which investments are expected to create or retain at least __ FTE jobs at this location and would increase the property tax base within Jackson County (the "Project").

WHEREAS, the Project will require the Developer to incur eligible costs associated with certain Eligible Activities regarding (types of eligible activities anticipated) which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals, such eligible costs not to exceed \$XXX.

WHEREAS, the parties are entering into this Agreement to establish the procedure for the reimbursement from Tax Increment Revenues under Act 381.

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth herein, the parties agree as follows:

- 1. Recitals.** The above recitals are acknowledged as true and correct, and are incorporated by reference into this paragraph.
- 2. The Plan.** The Plan, as it relates only to this Property, approved by the Authority and the County Commission of Jackson County is attached as Attachment B and incorporated as part of this Agreement. To the extent provisions of the Plan or this Agreement conflict with Act 381, Act 381 controls.
- 3. Term of Agreement.** Pursuant to the Plan the Authority shall capture that amount of Tax Increment Revenues generated from real and personal property taxes allowed by law on the Eligible Property, beginning in the first year after the year in which the Developer completes the Project, with the JCBRA receiving the last five years for the Local Brownfield Revolving Fund (LBRF). Capture will continue until the earlier of:
 - 3.1** Full reimbursement of the Developer's Eligible Costs for those Eligible Activities set forth in Paragraph 4, which shall not exceed \$XXX; or
 - 3.2** X years.
- 4. Eligible Activities.** The Developer shall diligently pursue completion of the Eligible Activities summarized in the Plan and set forth in this Paragraph. The Authority shall reimburse the Developer for Eligible Costs incurred on or after the date of the inclusion of this project in the Plan and include environmental due diligence and due care, site preparation, and infrastructure improvements which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals.

5. Reimbursement Source. During the term of this Agreement and except as set forth in Paragraph below, the Authority shall reimburse the Developer for its Eligible Costs, as limited under this Agreement, from all applicable non-school and school (if approved) Tax Increment Revenues collected from the real and personal property taxes on the Property.

6. Reimbursement Process.

6.1 Cost Reimbursement Request. After Developer has completed the Project (to the point that a temporary occupancy permit may be or is issued) Developer will submit by July 31 of the following year all reimbursement requests, for Eligible Activities, to the Authority. The Developer will also provide sufficient documentation of the Eligible Costs incurred including the dates, complete description of the work, proof of payment and detailed invoices for the costs involved for each Eligible Activity as described in the Authority's Policy Manual. Failure to provide the above noted information when due, or within the time permitted by the Authority under Paragraph 6.2, may result in foregone reimbursement to the developer by the JCBRA for eligible costs that have not been requested within the timeframe described above.

6.2 Authority Staff Review. The Authority Staff shall review the request within 60 days after receiving it. If Authority Staff determines that the documentation submitted by the Developer is not complete, then Developer shall cooperate in the Authority's review by providing any additional documentation of the Eligible Costs as deemed reasonable and necessary by the Authority in order to complete its review

6.3 Reimbursement. Tax increment revenues will be dispursed to the Authority from the local Treasurer within 30 days following the winter and summer tax collection deadlines in February and September of each year. The Authority shall transmit any payments due to the Developer within 45 days of receipt of funds from the local Treasurer. Authority Staff shall maintain a schedule for reimbursements based on actual tax increment revenues. Should an applicant default on taxes, the Authority shall not be obligated to make reimbursement payments until the taxpayer is current. After the summer and winter taxes are captured and collected on the Property, the Authority shall pay approved Eligible Costs to the Developer from Tax Increment Revenues that are generated from the Property in accordance with the Plan and Paragraph 6 to the extent that taxes have been captured and are available in that fiscal year. In the event that there are insufficient Tax Increment Revenues available in any given year to reimburse all of the Developer's Eligible Costs, as described in paragraph 4, then the Authority shall reimburse the Developer only from available Tax Increment Revenues.

6.4 Method of Reimbursement. The Authority will reimburse the Developer for Eligible Costs as follows:

Checks (sent by certified mail or hand-delivered, with a signed delivery receipt) shall be payable to: Applicant/Developer and Delivered to the following address:

XXX Street

7. Adjustments. In the event that a state agency of competent jurisdiction conducting an audit of payments made to the Developer under this Agreement or a court of competent jurisdiction determines that any portion of the payments made to the Developer under this Agreement is unlawful, the Developer shall pay back to the Authority that portion of the payments made to the Developer within 30 days of the determination made by a state agency or the court as the case may be. However, the Developer shall have the right, before any such repayment is made, to appeal on its or the Authority's behalf, any such determination made by a state agency or court as the case may be. If the Developer is unsuccessful in such an appeal, the Developer shall repay the portion of payments found to be unlawful to the Authority within thirty (30) days of the date when the final determination is made on the appeal.

8. Responsibilities of Developer. In consideration of the inclusion of the Property into the Plan and the resulting financial benefits, which it expects to receive, Developer agrees to the following:

8.1 Project. (describe project). For example - relocate a XXX square foot historic residential dwelling to the site, for redevelopment/rehabilitation as professional offices with associated site improvements in compliance with all applicable federal, state and local laws, rules and regulations, including building and zoning codes at a total investment estimated at \$XXX. Subject to matters beyond the reasonable control of Developer (e.g., matters of force majeure, acts of God, labor and material interruption or delay, and receipt of necessary governmental approvals) construction shall be substantially completed to the point that a temporary occupancy permit may be issued within 12 months of this Agreement.

8.2 Employment Opportunities. Make every reasonable effort to work with the County and community employment agencies to hire County residents for new employment opportunities created by the Project, and to encourage the local contracting of construction and site related work.

8.3 Ordinances. Rehabilitate the building, and develop the Property, including landscaping and all other improvements required for the Project, in compliance with all local ordinances, site plan review and this Agreement.

8.4 Project Sign. Place on the site during rehabilitation/redevelopment a development sign provided by the Authority to promote the Project and the Authority's participation in it. Upon completion of the Project the sign will be returned to the Authority.

8.5 Promotion and Marketing. Permit the Authority to cite or to use any renderings or photographs or other materials of the Project as an example of private/public partnership and brownfield site redevelopment.

8.6 Cooperation. Assist and cooperate with the Authority in providing information that it may require in providing necessary reports to governmental or other agencies.

9. Responsibilities of the Authority. In consideration of the preceding commitments of Developer the Authority further agrees to the following:

9.1 Agency Contacts. Provide Developer with appropriate service/employment agency contacts for the identification of County residents to interview for potential employment;

9.2 Cooperation. Cooperate and utilize its best efforts to obtain any governmental approvals required to close the transaction contemplated by this Agreement.

10. Legislative Authorization. This Agreement is governed by and subject to the restrictions set forth in the Act. In the event that there is legislation enacted in the future which alters or affects the amount of Tax Increment Revenues subject to capture, Eligible Properties, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement may be modified accordingly by agreement of the parties.

11. Freedom of Information Act. Developer stipulates that all Petitions and documentation submitted by Developer shall be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, being Sections 15.23 to 15.24 of the Michigan Compiled Laws and no claim of trade secrets or other privilege or exception to the Freedom of Information Act will be claimed by Developer as it relates to this Agreement or Petitions and supporting documentation.

12. Plan Modification. The Plan and this Agreement may be modified to the extent allowed under the Act by mutual agreement of the parties.

13. Notices. All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed given when delivered personally, or one day after being sent by overnight courier, or three days after being mailed by registered mail, return receipt requested, to the following addresses (or any other address that is specified in writing by either party):

If to Developer: XXX
 c/o XXX
 XXX Street
 CITY, MI ZIP

With copy to: TBD

If to the JCBRA: JCBRA Executive Director
 100 E. Michigan Avenue, Suite 1100
 Jackson, Michigan 49201

With copy to: TBD

14. Indemnification. Developer shall defend, indemnify and hold harmless the Authority, to also include the County, and any of its past, present and future members, officials, employees, agents or representatives from all losses, demands, claims, judgments, suits, costs and expenses (including without limitation the costs and fees of attorneys or other consultants) arising from or related to the capture and use of Tax Increment Revenue paid to Developer as a reimbursable payment under this Agreement made in excess of the amount of tax increment revenues the Authority is determined by the State or court to be allowed by law to use for that reimbursement.

15. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

16. Binding Effect/Third Parties. This Agreement is binding on and shall inure to the benefit of the parties to this Agreement and their respective successors, but it may not be assigned by any party without the prior written consent of the other party. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.

17. Waiver. No failure of either party to complain of any act or omission on the part of the other party, no matter how long this same may continue, is considered as a waiver by that party to any of its rights hereunder. No waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.

Attachment D

SAMPLE REIMBURSEMENT AGREEMENT

This Reimbursement Agreement is made as of ____ ____, 20__, by and between "DEVELOPER XYZ" ("Applicant") and The Jackson County Brownfield Redevelopment Authority (the "Authority").

The Applicant has applied to the Authority for funding under the Brownfield Assessment Grant recently received by the Authority from the United States Environmental Protection Agency (the "Funds"). The Applicant desires to use the Funds to pay for the costs of *<list of proposed eligible activities e.g. Phase I and II environmental site assessment, baseline environmental assessment, due care plan and similar and related costs>* (the "Costs") to be incurred in connection with the Applicant's proposed acquisition and development of the property and facility at _____, Michigan, currently owned by _____ (the "Site"). If the Authority grants the application of the Applicant, the Authority may incur Costs, or obligate itself to incur Costs, on behalf of the Applicant. To induce the Authority to act favorably on the Applicant's application and assure the Authority that the Applicant will reimburse the Authority for any Costs incurred by it if Applicant does not consummate acquisition and development of the Site, the Applicant and Authority are hereby entering into this Reimbursement Agreement.

Accordingly, the Applicant and the Authority, in consideration of the foregoing premises and for other good and valuable consideration, hereby agree as follows, intending to be legally bound:

1. Agreement to Reimburse Authority. If the Authority incurs Costs on behalf of the Applicant with respect to the Site, and if the Applicant elects not to consummate the purchase of the Site for any reason, the Applicant will reimburse the Authority for all such Costs incurred by the Authority.

2. Reimbursement Procedure. The Authority may request reimbursement of Costs at any time after the Authority determines in its reasonable judgment that the Applicant has elected not to consummate the purchase of the Site. Such request shall be in writing and shall be accompanied by receipts or other documentation reasonably sufficient to establish the veracity and amount of the Costs being requested for reimbursement. The Applicant shall reimburse the Authority within 30 days after receiving a valid written request for reimbursement.

3. Effective Time; Termination. This Agreement shall govern and become operative if and when the Applicant's application for Funds is approved and the Authority incurs Costs; the Agreement shall then continue in full force and effect until

