

**Brownfield Plan
Former Sawmill Redevelopment
Grayling, Crawford County, Michigan**

November 2017

**Approved by Crawford County
Brownfield Redevelopment Authority: November 21, 2017
(proposed)**

**Concurrence by Grayling
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(proposed)**

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**Brownfield Plan
Former Sawmill Redevelopment
City of Grayling, Crawford County, Michigan**

Table of Contents

Introduction 3

Public Purpose 3

Description of Project and Plan Costs 4

Summary of Eligible Activities 6

Environmental Eligible Activities 6

Non-Environmental Eligible Activities 9

Estimate of Captured Taxable Value and Tax Increment Revenues 10

Method of Financing Plan Costs 12

Maximum Amount of Indebtedness 12

Duration of Brownfield Plan..... 12

Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions 12

Legal Description, Location, and Determination of Eligibility 13

Estimate of Number of Persons Residing on Eligible Property 13

Plan for Residential Relocation 13

Provision of Costs of Relocation 13

Strategy to Comply with Relocation Assistance Act 13

Description of Proposed Use of the Local Site Remediation Revolving Fund..... 13

Other Material Required by the Authority or Governing Body 13

TABLES

Table 1.1 Environmental Eligible Activities

Table 1.2 Non-Environmental Eligible Activities

Table 2.1 Annual Revenue and Brownfield Capture Estimates

Table 2.2 Tax Increment Revenue Reimbursement Allocation Table

Table 3 Impact on Tax Jurisdictions

FIGURES

Figure 1 Eligible Property Location Map

Figure 2 Eligible Property Downtown Location Map

Figure 3 Eligible Property Boundary Map

Project Summary

Thomas H. Steffen, LLC has acquired the property at 104 Michigan Avenue known as the Sawmill and is considering redevelopment for mixed use commercial and residential development. The proposed project includes a four story 25,000 square foot building with the first floor for retail and five apartments on each of the three remaining floors for a total of fifteen apartments.

A Phase I and Phase II Environmental Site Assessment conducted for 104 Michigan Avenue in May 2017 identified the presence of tetrachloroethene (PCE) in soils and groundwater in concentrations above MDEQ Generic Cleanup Criteria (GCC) for Drinking Water Protection and Vapor Intrusion Screening Levels (VISL), xylene and naphthalene in soils above VISL, and mercury in soils above Groundwater Surfacewater Interface Protection (GSIP). As a result, 104 Michigan Avenue is a Part 201 Facility, as defined in Part 201, Act 451, PA 1994 as amended. The property status as a Part 201 Facility qualifies as Eligible Property, as defined in Act 381 and requires Brownfield Eligible Activities to address the environmental due care obligations for the development. The former Sawmill buildings and associated site structures must be removed to allow for construction of the new building. In addition, the project will include an extension of the Iron Bell Trail, water, sewer, and stormwater upgrades, parking improvements, site preparation activities, and relocation of utilities.

An application has been submitted for a Michigan Department of Environmental Quality (MDEQ) Brownfield Grant and Loan to finance Eligible Activities under this Brownfield Plan. This Brownfield Plan assumes the full Eligible Activity amount will be expensed and reimbursed. If the MDEQ Brownfield Grant is received, the reimbursement period would be reduced by 50% or 7 years.

The redevelopment is consistent with the City of Grayling Master Plan and zoning ordinance. Initial work is anticipated to begin in Spring 2018, with tax increment capture beginning in 2019. The overall estimated investment is approximately \$6.1 million and is anticipated to create 30 jobs.

Project Name: Former Sawmill Redevelopment

Project Location: The eligible property is located at within the City of Grayling, Crawford County, Michigan and has the following addresses and parcel identification numbers:

Address	Parcel	Qualifying Status
104 Michigan Avenue	20-070-100-017-005-10	Part 201 Facility

Type of Eligible Property: Part 201 Facility

Eligible Activities: Environmental Due Diligence, Environmental Due Care, Additional Response Activities, Lead/Asbestos Abatement, Demolition, Site Preparation, Infrastructure.

Eligible Activity Costs: \$1,151,128
(excluding interest)

Years to Complete
Eligible Activities Payback: 15 years Local and 16 years State capture

Estimated Eligible

Investment: \$6,100,000

**Annual Tax Revenue
Before Project:** \$980

**Estimated Annual Tax
Revenue in First Year
After Payback:** \$186,408

BROWNFIELD PLAN

**FORMER SAWMILL REDEVELOPMENT
CITY OF GRAYLING, CRAWFORD COUNTY, MICHIGAN**

CRAWFORD COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Introduction

Act 381, P.A. 1996, as amended, was enacted to promote the revitalization, redevelopment and reuse of contaminated, tax reverted, blighted, functionally obsolete, or historic property through incentives adopted as part of a Brownfield Plan.

The Brownfield Plan must be approved by the county brownfield redevelopment authority established under Act 381 and the county board of commissioners, with the concurrence of the local government in which the project is located in order to take effect. The Michigan Department of Environmental Quality (MDEQ) must approve the Environmental Eligible Activities, with the exception of Baseline Environmental Assessment activities and Due Care Investigation and Planning, and the Michigan Strategic Fund (MSF) must approve Non-Environmental Eligible Activities if state taxes are to be captured.

The Crawford County Board of Commissioners established the Crawford County Brownfield Redevelopment Authority under the procedures required under Act 381 on February 21, 2001 and filed with the Secretary of State.

This Brownfield Plan is for the redevelopment of the former Sawmill property in downtown Grayling. The Brownfield Plan describes the public purpose and qualifying factors for determining the site as an Eligible Property, the Eligible Activities and estimated costs, the impacts of tax increment financing on taxing jurisdictions, and other project factors.

Public Purpose (MCL 125.2664(1))

The redevelopment of the former Sawmill property is anticipated to include over \$6,100,000 of investment on property that is contaminated, with an underutilized building which generates little tax revenue. The project will increase tax base, stimulate additional private and public investment, provide downtown housing and improve local infrastructure.

The project will significantly add to the local and state tax base. When completed, property taxes are estimated at \$195,000 per year (following the retirement of Brownfield obligations) with over 42% of these revenues going to the State of Michigan and 58% to local taxing jurisdictions. Currently the project area generates \$980 per year in property taxes.

Description of Project and Plan Costs (MCL 125.2663(2)(a))

Thomas H. Steffen, LLC has acquired the property at 104 Michigan Avenue in the City of Grayling, Crawford County, known as the Sawmill and is redeveloping for mixed use commercial and residential development.

The existing building on the property will be removed, the site cleared, and environmental due care activities conducted, infrastructure upgraded, and a four story 25,000 square foot building will be constructed with the first floor for retail and five apartments on each of the three remaining floors for a total of fifteen apartments.

The eligible property consists of one parcel with a commercial building, as shown in the Eligible Property map. Eligible Activities include environmental due diligence, due care, and additional response activities, lead and asbestos abatement, site and building demolition, site preparation, infrastructure, interest, work plans development and approval, and administrative and operating costs.

Environmental Eligible Activities include:

- Baseline Environmental Assessment (Phase I, Phase II, and BEA)
- Due Care Investigation
- Due Care Plan Preparation
- Due Care Eligible Activities including removal of contaminated soil during development and protective cover over contaminated soil, as necessary
- Additional Response Activities, including tank removal, investigation, and monitoring;

Non-Environmental Eligible Activities include:

- Lead and Asbestos Abatement prior to demolition of the buildings;
- Demolition, including site and building demolition.
- Site Preparation
- Infrastructure

Other Eligible Activities include:

- Interest
- Brownfield Plan and Act 381 Work Plan development, approval, and implementation
- Administrative and Operating Costs for the Brownfield Redevelopment Authority
- Local Brownfield Revolving Fund
- State Brownfield Fund

**SUMMARY OF MAXIMUM ELIGIBLE COSTS
FORMER SAMWILL REDEVELOPMENT**

Environmental Eligible Activities Costs

MDEQ Environmental Eligible Activities	
Baseline Environmental Activities	\$14,500
Due Care Activities	\$165,500
Additional Response Activity	\$15,000
Contingency	\$29,250
Interest (2.5% at 17 years)	\$99,821
Brownfield Plan Work Plan Development, Approval, Implementation	<u>\$20,000</u>
ENVIRONMENTAL ELIGIBLE ACTIVITY TOTAL	\$344,071
Non-Environmental Eligible Activity Cost Maximum	
Lead/Asbestos Abatement, Demolition	\$220,000
Site Preparation	\$320,981
Infrastructure	
Bike Path	\$50,000
Sewer and Water	\$40,000
Vortex Stormwater System	\$75,000
Parking Improvements	\$100,000
Contingency	\$120,897
Interest (5.0% at 15 years)	\$412,585
Brownfield Plan Work Plan Development, Approval, Implementation	<u>\$50,000</u>
ENVIRONMENTAL ELIGIBLE ACTIVITY TOTAL	\$1,389,464
ELIGIBLE ACTIVITY TOTAL	\$1,733,535
ADMINISTRATIVE AND OPERATING COST	\$45,000
LOCAL SITE REMEDIATION REVOLVING FUND	\$ 643,388
TOTAL CAPTURE - SAWMILL REDEVELOPMENT	\$2,421,923
STATE BROWNFIELD FUND	\$ 141,034

Summary of Eligible Activities (MCL 125.2663(2)(b):

Act 381 provides for the costs of certain eligible to be reimbursed through tax increment financing. The following is a summary of Environmental and Non-Environmental Activities.

Environmental Eligible Activities

1. Baseline Environmental Assessment: The work scope is to conduct a Phase I Environmental Site Assessment (ESA), Phase II ESA, and prepare a Baseline Environmental Assessment to provide an exemption for Thomas J. Steffen, LLC and assigns from environmental liability for pre-existing contamination. The Baseline Environmental Assessment activities have been conducted and are eligible for reimbursement as long as included in the Brownfield Plan, in accordance with Section 13(6)(b).

A. Phase I ESA: A Phase I ESA has been conducted for both acquired parcels, consistent with ASTM Standard E1527-13. The Phase I ESA included a review of historical and current information, including regulatory agency files, historical maps, and past uses to evaluate the potential for contamination, a site inspection of both the grounds and the exterior and interior of buildings on the property, and interviews with individuals knowledgeable about the past use of the property to identify any Recognized Environmental Conditions (RECs). A Phase I report was prepared and identified the following RECs:

- (i) There are several pipes of unknown origin located that may be related to an abandoned heating oil underground storage tank (UST).
- (ii) Coal was stored in the basement in areas where holes in the concrete floor were present providing a migration pathway for the coal to impact the exposed soils beneath the building.
- (iii) An adjacent property immediately to the east (106 E Michigan Avenue) formerly operated as a paint shop.
- (iv) Historical use of nearby upgradient properties located along Ottawa Street included a former garage/auto station, a former auto station/laundry, and a former filling station.

B. Phase II ESA: A Phase I and Phase II Environmental Site Assessment conducted for 104 Michigan Avenue in May 2017 identified the presence of tetrachloroethene (PCE) in soils and groundwater in concentrations above MDEQ Generic Cleanup Criteria (GCC) for Drinking Water Protection and Vapor

Intrusion Screening Levels (VISL), xylene and naphthalene in soils above VISL, and mercury in soils above Groundwater Surfacewater Interface Protection (GSIP).

As a result, the property is considered a “Facility” under Part 201 of Act 451, P.A. 1994 as amended and qualifies as Brownfield Eligible Property.

C. Baseline Environmental Assessment: To provide an exemption from environmental liability for pre-existing contamination, a Baseline Environmental Assessment was prepared on behalf of Thomas H. Steffen, LLC. and filed with the MDEQ.

2. Due Care Activities: While the BEA provides an exemption from environmental liability for pre-existing contamination, owners still have due care obligations to prevent exposure to or exacerbation of that pre-existing contamination. Due care activities include supplemental environmental investigation to determine the extent of contamination that must be addressed during redevelopment; the development of a Due Care Plan to outline due care measures, due care activities including soil removal and engineering controls, and Documentation of Due Care Plan Compliance.

A. Due Care Investigation: As part of the redevelopment planning and design activities, the degree and extent of impact will need to be further delineated (laterally and vertically) to determine appropriate due care considerations. The supplemental assessment activities will also identify the limits of potential excavation of source area impacted soils and delineating between areas of potentially hazardous soil impacts versus non-hazardous. In addition, identified impacts may need to be further characterized to determine appropriate disposal requirements and meet waste profiling requirements.

B. Due Care Plan: In order to meet Due Care obligations, a Due Care Plan must be prepared that includes an explanation of how and demonstration of why the proposed use will not exacerbate existing environmental impacts; an explanation and demonstration why unacceptable exposures will not exist, or will be prevented or mitigated; an explanation and demonstration of how and why the proposed use will not increase response costs; and an explanation of what precautions will be taken against the reasonably foreseeable acts or omissions of a third party.

C. Due Care Measures: There are three primary components for due care measures to be conducted on the site to ensure compliance with due care requirements to prevent exposure to or exacerbation of pre-existing contamination

1. Soil Disposal, Transport and Removal

Dependent upon the further assessment and characterization results for the soils, it may be appropriate for due care considerations to abate source area impacted soils. Portions of the soils may be characteristically hazardous and require disposal in a hazardous waste disposal/treatment facility. Other impacted soils are likely non-hazardous and could be disposed in a Type II landfill. In estimating, assumptions on the amounts needed for excavation, transportation and disposal of hazardous soils (150 tons-\$280/ton) and non-hazardous soils (600 tons-\$44/ton) and compacted backfill (750 tons @ \$30/ton) were inferred. Estimated costs include excavation, transport, disposal and compacted backfilling of source area soils, as may be needed for redevelopment and reuse of the Subject Property.

2. Vapor Mitigation System

Considering the presence of volatile organic compounds (VOCs) present in the soils, due care considerations warrant assessment of soil gas and potential for vapor intrusion in the new structure(s). An assessment will be conducted for the most environmentally and economically effective vapor mitigation system, if necessary.

3. Engineering Controls

As part of the redevelopment activities, additional provisions may be necessary for management of storm-water drainage/discharge in relation to the area(s) of impact/remaining contaminated areas. Additional redevelopment costs needed for directing storm-water via sealed/lined catch basins and re-directing to appropriate infiltration basins (e.g., outside impacted areas) may be needed.

D. Due Care Compliance: Documentation of Due Care Compliance will be conducted to ensure and document compliance with due care requirements.

3. Additional Response Activities: The Phase I ESA identified the potential for a presence of at least one (1) underground storage tank from the prior uses of the Subject Property will need to be properly addressed to progress with redevelopment. During redevelopment, other subsurface structures may be discovered that warrant appropriate removal/disposal/closure. Activities include underground storage tank removal and site restoration, removal of other underground structures and potential soil excavation, transportation and disposal, and Verification of Soil Remediation, including sampling, laboratory analysis, and reporting.

Other Activities

Brownfield Plan and Work Plan: The preparation, approval, and implementation of the Brownfield Plan and Act 381 Work Plans are included as Eligible Activities.

Administrative and Operating Costs: An estimate of reasonable and actual administrative and operating costs of the Crawford County Brownfield Redevelopment Authority (CCBRA) is included as Eligible Activities.

Interest: Environmental Eligible Activities will be privately financed. For the purposes of the Brownfield Plan financial analysis, interest on the private financing portion is estimated at 5% for 15 years.

The following tables estimate the costs for Environmental Eligible Activities to be funded by tax increment revenues.

Estimated Cost of Environmental Eligible Activities

MDEQ Environmental Eligible Activities	Estimated Cost
Baseline Environmental Assessment Activities	\$14,500
Due Care Activities	\$165,500
Additional Response Activities	\$15,000
Contingencies (15%)	\$29,250
Eligible Activities Subtotal	\$224,250
Interest (5% for 15 years)	\$99,821
Work Plan Development, Approval and Implementation	\$20,000
Brownfield Authority Administrative and Operating Cost	<u>\$15,000</u>
MDEQ Environmental Eligible Activities Total	\$359,071

Non-Environmental Eligible Activities

1. *Lead and Asbestos Abatement:* NESHAP regulations require a lead and asbestos survey prior to demolition of commercial buildings to demonstrate Potential Asbestos Containing Materials (PACMs) do not contain asbestos by properly testing materials in accordance with OSHA standards. Demolition or remodeling buildings that contain lead, cadmium and/or asbestos is subject to regulations to protect the health of the persons that may be affected. The scope of work includes lead and asbestos surveys, abatement, contract administration, and air monitoring to prevent a potential exposure to site workers or adjacent residents.

2. *Demolition:* In preparation for site redevelopment, the existing building and associated infrastructure will be demolished and removed from the Eligible Property. The scope of work includes engineering specifications, contractor procurement and demolition of buildings, foundations and unusable asphalt and infrastructure.
3. *Site Preparation:* Site preparation will consist of geotechnical engineering, temporary site and erosion control, sheeting and shoring to protect adjacent property, relocation of active utilities, land balancing and grading.
4. *Infrastructure:* Infrastructure will include an extension to the Iron Bell trail, water, sewer, and stormwater upgrades, parking improvements.

Estimated Cost of Non-Environmental Activities

Eligible Activities	Estimated Cost
Lead and Asbestos Abatement	\$60,000
Demolition	\$160,000
Site Preparation	\$320,980
Infrastructure	\$265,000
Contingencies	\$120,895
Non-Environmental Eligible Activities Subtotal	\$926,875
Interest (5.0% for 15 years)	\$412,585
Work Plan Development, Approval and Implementation	\$50,000
Brownfield Authority Administrative and Operating Cost	<u>\$30,000</u>
Non-Environmental Eligible Activities Total	<i>\$1,419,460</i>

Estimate of Captured Taxable Value and Tax Increment Revenues

(MCL 125.2663(2)(c))

The initial taxable value for the eligible property will be set at the taxable value as December 31, 2016, as provided in Act 381 and is \$16,128. The total eligible activity cost is \$1,151,125, plus an estimated \$512,405 in interest, \$70,000 in Brownfield Plan and Act 381 Work Plan development, approval, and implementation, and \$45,000 in CCBRA administrative and operating costs, for a total of \$1,778,530. The Brownfield Plan also includes capture of 3 mils of the State Education Tax for the period of capture, estimated at \$141,034 and deposits into the Local Brownfield Revolving Fund for a period of up to five years after the Eligible Activity

obligation is met and is estimated at \$643,393. The redevelopment investment for the entire eligible property is estimated at \$6,100,000.

Table 2 identifies taxable values for real and personal property, including tax increment revenues for the eligible property. The cash flow analysis for the project indicates payoff of the Eligible Activity obligation in fifteen (15) years for local capture and sixteen (16) years for State capture, with an additional five years for the Local Brownfield Revolving Fund. Redevelopment of the property is anticipated to be initiated in Spring 2018 and completed in Spring 2019, with tax increment capture beginning in 2019. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions.

An application has been submitted for a Michigan Department of Environmental Quality (MDEQ) Brownfield Grant and Loan in an amount of \$396,000 to finance Environmental Eligible Activities, lead and asbestos abatement and demolition under this Brownfield Plan. The Brownfield Plan assumes the full Eligible Activity amount will be expensed and reimbursed. If the MDEQ Brownfield Grant is received, the reimbursement period would be reduced by 50% or 7 years. The estimated tax increment captured by the Authority is summarized in the table below and detailed in Table 2.

Estimated Tax Increment Capture by the Authority

Year	Total Tax Revenues	Captured Taxes
2018	\$980	\$ -
2019	\$980	\$ 119,516
2020	\$128,560	\$ 122,504
2021	\$131,749	\$ 125,567
2022	\$135,019	\$ 128,706
2023	\$138,370	\$ 131,923
2024	\$141,804	\$ 135,221
2025	\$145,325	\$ 138,602
2026	\$148,934	\$ 142,067
2027	\$152,632	\$ 145,619
2028	\$156,424	\$ 147,799
2029	\$160,310	\$ 152,991
2030	\$164,293	\$ 156,815
2031	\$168,376	\$ 160,736
2032	\$172,561	\$ 164,754

Year	Total Tax Revenues	Captured Taxes
2033	\$176,850	\$ 168,873
2034	\$181,247	\$ 173,095
2035	\$185,754	\$ 133,415
2036	\$190,373	\$ 114,754
2037	\$195,108	\$ -
2038	\$199,961	\$ -
2039	\$204,936	\$ -
2040	\$210,035	\$ -
2041	\$215,261	\$ -
2042	\$220,618	\$ -
2043	\$226,109	\$ -
2044	\$231,737	\$ -
2045	\$237,506	\$ -
2046	\$243,419	\$ -
2047	\$249,480	\$ -

(1) Local Capture Ends
 (2) State Capture Ends
 (3) LBRF Capture Ends

Total	\$5,114,709	\$ 2,562,957
Local Brownfield Fund		\$ (643,393)
State Brownfield Fund		(\$141,034)
Admin and Operating		(\$45,000)
Balance		\$ 1,733,531

Method of Financing Plan Costs (MCL 125.2663(2)(d))

The costs for the eligible activities will be paid for by the developer using private financing, with revenues for reimbursement from brownfield tax increment capture. Financing costs are provided in this plan in addition to the eligible activity costs with an estimated 15-year term at 5.0%. Total financing costs are estimated at \$512,405.

Maximum Amount of Indebtedness (MCL 125.2663(2)(e))

The maximum amount of indebtedness will be \$1,221,125, plus an estimated \$512,405 in interest.

Duration of Brownfield Plan (MCL 125.2663(2)(f))

The duration of the Plan will be the time to capture taxes in an amount equal to the Eligible Activity obligation and thirty (30) years from the original adoption date, whichever is sooner. As shown on Table 2, total costs of all Eligible Activities on the Eligible Property are expected to be repaid through tax increment financing within 15 years for Local tax capture and 16 years for State capture, and an addition five years for Local Brownfield Revolving fund. If the MDEQ Brownfield Grant is received, the capture period is estimated to be reduced by 50% to 8 years.

Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions (MCL 125.2663(2)(g))

Table 2 identifies annual and total tax revenues projected for capture from the increase in property tax valuations. Individual tax levies within each taxing jurisdiction are also presented on Table 2. Table 3 presents the allocation of tax capture and the total tax increment for the maximum duration of the plan, 30 years. Taxing jurisdictions will continue to receive their attendant tax allocation for the project beyond the duration of the plan.

The total tax capture, with principal and interest, administrative costs, the State Brownfield Fund and for the local site remediation fund, is estimated at \$2,562,957. Over 30 years, local taxing jurisdictions will realize over \$1,703,050 and the state will realize over \$1,245,420 in estimated additional tax revenues. These additional revenues will continue to be accrued by the taxing jurisdictions after the plan expires in an amount estimated at over \$186,400 per year on into the future.

Legal Description, Location, and Determination of Eligibility (MCL 125.2663(2)(h))

Legal Description: The legal descriptions of the eligible property is as follows:

Parcel ID #	Address	Legal Description
20-070-100-017-005-10	104 Michigan Avenue	W 58 FT OF LOT 5, BLOCK 17, ORIGINAL PLAT OF THE VILLAGE, NOW CITY, OF GRAYLING.

Location: Figure 1 depicts the location and Figure 2 depicts the boundaries of the Eligible Property.

Eligibility Determination: The former Sawmill property meets the definition of a Part 201 as defined in Act 381, P.A. 1996 as amended and Act 451, P.A. 1994 as amended, as documented by a Phase II Environmental Site Assessment in June 2017.

Estimate of Number of Persons Residing on Eligible Property (MCL 125.2663(2)(i))

There are currently no residential dwellings or residences that occupy the Eligible Property.

Plan for Residential Relocation (MCL 125.2663(2)(j))

The Eligible Property does not currently contain any residential dwellings; therefore, a plan for residential relocation is not applicable.

Provision of Costs of Relocation (MCL 125.2663(2)(k))

The Eligible Property does not currently contain any occupied residential dwellings, thus relocation is not necessary.

Strategy to Comply with Relocation Assistance Act (MCL 125.2663(2)(l))

There is no relocation anticipated under this Brownfield Plan.

Description of Proposed Use of the Local Brownfield Revolving Fund

(MCL 125.2663(2)(m))

Use of the Local Brownfield Revolving Fund will be consistent with the requirements of Act 381.

Other Material Required by the Authority or Governing Body (MCL 125.2663(2)(n))

Not Applicable

Tables

- Table 1.1 Environmental Eligible Activities**
- Table 1.2 Non-Environmental Eligible Activities**
- Table 2.1 Annual Revenue and Brownfield Capture Estimates**
- Table 2.2 Tax Increment Revenue Reimbursement Allocation Table**
- Table 3 Impact on Tax Jurisdictions**

Figures

Figure 1. Eligible Property Location Map

Figure 2. Eligible Property Downtown Location Map

Figure 3. Eligible Property Boundary Map

**TABLE 1.1
ENVIRONMENTAL ELIGIBLE ACTIVITIES COSTS
FORMER SAMWILL REDEVELOPMENT
CRAWFORD COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
GRAYLING, MICHIGAN**

Eligible Activity Description	TOTAL ELIGIBLE ACTIVITIES Sawmill
Baseline Environmental Assessment Activities	
Phase I ESA	\$2,500
Phase II ESA	\$10,000
Baseline Environmental Assessment	\$2,000
<i>Subtotal</i>	\$14,500
Due Care (7a) Obligation Compliance Activities	
Due Care Investigation	\$38,500
Section 7A Compliance Analyses (Due Care Plans)	\$2,500
Due Care Measures	
Soil Removal, Transport and Disposal	\$50,000
Vapor Mitigation	\$24,500
Engineering Controls	\$10,000
Dewatering Effluent Treatment	\$40,000
<i>Subtotal</i>	\$165,500
Additional Response Activities	
Supplemental Investigation	\$5,000
Other Response Activities	\$10,000
<i>Subtotal</i>	\$15,000
Subtotal Totals	\$195,000
Contingencies (15%)	<u>\$29,250</u>
ELIGIBLE ACTIVITIES SUBTOTAL	\$224,250
INTEREST (15 years @ 5%)	\$99,820
BROWNFIELD PLAN/WORK PLAN DEVELOPMENT AND APPROVAL	\$10,000
BROWNFIELD PLAN/WORK PLAN IMPLEMENTATION	\$10,000
ELIGIBLE ACTIVITIES SUBTOTAL	\$344,070
ADMINISTRATIVE AND OPERATING COSTS*	\$15,000
MSF ELIGIBLE ACTIVITIES TOTAL	\$359,070

*Local Tax Capture Only

TABLE 1.2
MSF ELIGIBLE ACTIVITIES COSTS
FORMER SAMWILL REDEVELOPMENT
CRAWFORD COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
GRAYLING, MICHIGAN

Eligible Activity Description	TOTAL ELIGIBLE ACTIVITIES Sawmill
<i>Lead and Asbestos Abatement</i>	
Survey	\$4,000
Monitoring	\$6,000
Abatement	<u>\$50,000</u>
<i>Subtotal</i>	\$60,000
<i>Demolition</i>	
Site Demolition	\$30,000
Building Demolition	<u>\$130,000</u>
<i>Subtotal</i>	\$160,000
<i>Site Preparation</i>	
Staking	\$3,000
Geotechnical Engineering	\$7,500
Temporary Facilities	\$38,800
Excavation for Unstable Soils	\$2,400
Fill	\$2,000
Relocation of Active Utilities	\$30,000
Dewatering	\$60,000
Grading and Land Balance	\$2,000
Retaining Walls	\$70,000
Temporary Sheeting and Shoring	\$87,500
Soft Costs	<u>\$17,780</u>
<i>Subtotal</i>	\$320,980
<i>Infrastructure</i>	
Bike Path	\$50,000
Infrastructure	
Sewer and Water	\$40,000
Vortex Stormwater System	\$75,000
Parking Improvements	<u>\$100,000</u>
<i>Subtotal</i>	\$265,000
<i>Subtotal Totals</i>	
	\$805,980
<i>Contingencies (15%)</i>	
	\$120,895
MSF ELIGIBLE ACTIVITIES SUBTOTAL	\$926,875
INTEREST (5% for 10 years)	
	\$412,585
BROWNFIELD PLAN/WORK PLAN DEVELOPMENT AND APPROVAL	
	\$25,000
BROWNFIELD PLAN/WORK PLAN IMPLEMENTATION	
	\$25,000
MSF ELIGIBLE ACTIVITIES SUBTOTAL	\$1,389,460
ADMINISTRATIVE AND OPERATING COSTS	
	\$30,000
MSF ELIGIBLE ACTIVITIES TOTAL	\$1,419,460

Table 2.2 - Tax Incremental Revenue Reimbursement Allocation Table

Former Sawmill Redevelopment

Crawford County Brownfield Redevelopment Authority

Maximum Reimbursement	Proportionality	School & Local Taxes	State Brownfield Fund	LBRF	Local-Only Taxes	Total
State	42.2%	\$ 731,031	\$ 141,034	\$ 145,097		\$ 1,017,161
Local	57.8%	\$ 1,002,499	\$ -	\$ 498,296	\$ 45,000	\$ 1,545,795
TOTAL	100.0%	\$ 1,733,530	\$ 141,034	\$ 643,393		\$ 2,562,957
MDEQ		\$ 344,070				
MSF		\$ 1,389,460				
TOTAL		\$ 1,733,530				

Estimated Total
Years of Capture: 11

Estimated Capture	\$ 1,733,530
Administrative Fees	\$ 45,000
State Revolving Fund	\$ 141,034
LSRRF	\$ 643,393
TOTAL	\$ 2,562,957

Plan Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Calendar Year	notes	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Total State Incremental Revenue		\$ -	\$ -	\$ 50,400	\$ 51,660	\$ 52,952	\$ 54,275	\$ 55,632	\$ 57,023	\$ 58,449	\$ 59,910	\$ 61,408	\$ 62,943	\$ 64,516	\$ 66,129	\$ 67,782	\$ 69,477	\$ 71,214	
State Brownfield Revolving Fund (50% of SET)		\$ -	\$ -	\$ 6,300	\$ 6,458	\$ 6,619	\$ 6,784	\$ 6,954	\$ 7,128	\$ 7,306	\$ 7,489	\$ 7,676	\$ 7,868	\$ 8,065	\$ 8,266	\$ 8,473	\$ 8,685	\$ 8,902	
State TIR Available for Reimbursement		\$ -	\$ -	\$ 44,100	\$ 45,203	\$ 46,333	\$ 47,491	\$ 48,678	\$ 49,895	\$ 51,142	\$ 52,421	\$ 53,732	\$ 55,075	\$ 56,452	\$ 57,863	\$ 59,310	\$ 60,792	\$ 62,312	
Total Local Incremental Revenue		\$ -	\$ -	\$ 69,116	\$ 70,844	\$ 72,615	\$ 74,430	\$ 76,291	\$ 78,198	\$ 80,153	\$ 82,157	\$ 84,211	\$ 86,316	\$ 88,474	\$ 90,686	\$ 92,953	\$ 95,277	\$ 97,659	
BRA Administrative Fee	6%	\$ -	\$ -	\$ 4,147	\$ 4,251	\$ 4,357	\$ 4,466	\$ 4,577	\$ 4,692	\$ 4,809	\$ 4,929	\$ 5,053	\$ 5,179	\$ -	\$ -	\$ -	\$ -	\$ -	
Local TIR Available for Reimbursement		\$ -	\$ -	\$ 64,969	\$ 66,593	\$ 68,258	\$ 69,965	\$ 71,714	\$ 73,507	\$ 75,344	\$ 77,228	\$ 79,159	\$ 81,137	\$ 83,117	\$ 85,149	\$ 87,237	\$ 89,384	\$ 91,589	
Total State & Local TIR Available		\$ -	\$ -	\$ 109,069	\$ 111,796	\$ 114,591	\$ 117,455	\$ 120,392	\$ 123,402	\$ 126,487	\$ 129,649	\$ 132,890	\$ 136,212	\$ 144,926	\$ 148,549	\$ 152,263	\$ 156,070	\$ 159,971	
DEVELOPER	Beginning Balance	\$ 1,733,530	% Allocation	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	40%	0%	0%	
Developer Reimbursement				\$ 109,069	\$ 111,796	\$ 114,591	\$ 117,455	\$ 120,392	\$ 123,402	\$ 126,487	\$ 129,649	\$ 132,890	\$ 136,212	\$ 144,926	\$ 148,549	\$ 60,237	\$ -	\$ -	
Developer Reimbursement Balance		\$ 1,733,530	\$ 1,733,530	\$ 1,624,461	\$ 1,512,665	\$ 1,398,075	\$ 1,280,619	\$ 1,160,227	\$ 1,036,826	\$ 910,339	\$ 780,690	\$ 647,800	\$ 511,588	\$ 366,662	\$ 218,112	\$ 157,876	\$ 157,876	\$ 157,876	
MSF Non-Environmental Costs		\$ 1,389,460	\$ -	\$ 87,421	\$ 89,607	\$ 91,847	\$ 94,143	\$ 96,497	\$ 98,909	\$ 101,382	\$ 103,916	\$ 106,514	\$ 109,177	\$ 111,905	\$ 114,705	\$ 117,576	\$ 120,519	\$ 123,534	
State Tax Reimbursement	80.15%	\$ 585,936	\$ -	\$ 35,347	\$ 36,231	\$ 37,136	\$ 38,065	\$ 39,017	\$ 39,992	\$ 40,992	\$ 42,017	\$ 43,067	\$ 44,144	\$ 45,247	\$ 46,378	\$ 47,538	\$ 48,726	\$ 50,000	
Local Tax Reimbursement	80.15%	\$ 803,524	\$ -	\$ 52,074	\$ 53,376	\$ 54,710	\$ 56,078	\$ 57,480	\$ 58,917	\$ 60,390	\$ 61,900	\$ 63,447	\$ 65,033	\$ 66,659	\$ 68,327	\$ 70,038	\$ 71,792	\$ 73,534	
Total MSF Reimbursement Balance		\$ 1,389,460	\$ 1,302,039	\$ 1,212,432	\$ 1,120,585	\$ 1,026,442	\$ 929,946	\$ 831,037	\$ 729,655	\$ 625,739	\$ 519,225	\$ 410,048	\$ 293,887	\$ 174,822	\$ 52,780	\$ 2,040	\$ (0)	\$ (0)	
State MSF Balance to Be Reimbursed		\$ 585,936	\$ 550,589	\$ 514,358	\$ 477,222	\$ 439,157	\$ 400,141	\$ 360,149	\$ 319,157	\$ 277,140	\$ 234,073	\$ 189,930	\$ 144,683	\$ 98,304	\$ 50,766	\$ 2,040	\$ (0)	\$ (0)	
Local MSF Balance to Be Reimbursed		\$ 803,524	\$ 751,450	\$ 698,074	\$ 643,363	\$ 587,285	\$ 529,805	\$ 470,888	\$ 410,498	\$ 348,599	\$ 285,152	\$ 220,118	\$ 149,204	\$ 76,517	\$ 2,013	\$ (0)	\$ (0)	\$ (0)	
MDEQ Environmental Costs		\$ 344,070	\$ -	\$ 21,648	\$ 22,189	\$ 22,744	\$ 23,313	\$ 23,895	\$ 24,493	\$ 25,105	\$ 25,733	\$ 26,376	\$ 27,035	\$ 27,725	\$ 28,446	\$ 29,188	\$ 29,961	\$ 30,765	
State Tax Reimbursement	19.85%	\$ 145,095	\$ -	\$ 8,753	\$ 8,972	\$ 9,196	\$ 9,426	\$ 9,662	\$ 9,903	\$ 10,151	\$ 10,405	\$ 10,665	\$ 10,931	\$ 11,205	\$ 11,485	\$ 11,772	\$ 12,066	\$ 12,369	
Local Tax Reimbursement	19.85%	\$ 198,976	\$ -	\$ 12,895	\$ 13,217	\$ 13,548	\$ 13,887	\$ 14,234	\$ 14,590	\$ 14,954	\$ 15,328	\$ 15,711	\$ 16,104	\$ 16,516	\$ 16,947	\$ 17,396	\$ 17,865	\$ 18,354	
Total MDEQ Reimbursement Balance		\$ 344,070	\$ 322,422	\$ 300,233	\$ 277,489	\$ 254,177	\$ 230,281	\$ 205,789	\$ 180,684	\$ 154,951	\$ 128,575	\$ 101,540	\$ 72,775	\$ 43,291	\$ 13,070	\$ 506	\$ 0	\$ 0	
State MDEQ Balance to Be Reimbursed		\$ 145,095	\$ 136,342	\$ 127,370	\$ 118,174	\$ 108,748	\$ 99,086	\$ 89,183	\$ 79,032	\$ 68,628	\$ 57,963	\$ 47,032	\$ 35,828	\$ 24,343	\$ 12,571	\$ 505	\$ (0)	\$ (0)	
Local MDEQ Balance to Be Reimbursed		\$ 198,976	\$ 186,081	\$ 172,863	\$ 159,315	\$ 145,429	\$ 131,195	\$ 116,606	\$ 101,651	\$ 86,323	\$ 70,612	\$ 54,508	\$ 36,947	\$ 18,948	\$ 499	\$ (0)	\$ (0)	\$ (0)	
Local Only Costs	6%	\$ 45,000	\$ -	\$ 4,147	\$ 4,251	\$ 4,357	\$ 4,466	\$ 4,577	\$ 4,692	\$ 4,809	\$ 4,929	\$ 5,053	\$ 3,719	\$ -	\$ -	\$ -	\$ -	\$ -	
Local Tax Reimbursement																			
Total Local Only Reimbursement Balance		\$ 45,000	\$ 40,853	\$ 36,602	\$ 32,245	\$ 27,780	\$ 23,202	\$ 18,510	\$ 13,701	\$ 8,772	\$ 3,719	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	
Total Annual Reimbursement		\$ -	\$ 113,216	\$ 116,046	\$ 118,948	\$ 121,921	\$ 124,969	\$ 128,094	\$ 131,296	\$ 134,578	\$ 137,943	\$ 139,931	\$ 144,926	\$ 148,549	\$ 152,263	\$ 63,305	\$ 2,545	\$ -	
LOCAL BROWNFIELD REVOLVING FUND																			
LBRF Deposits *		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,765	\$ 250,191
State Tax Capture		\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,767
Local Tax Capture		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,765	\$ 97,659
Total LBRF Capture		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,765	\$ 157,426

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from DEQ & Local TIR only.

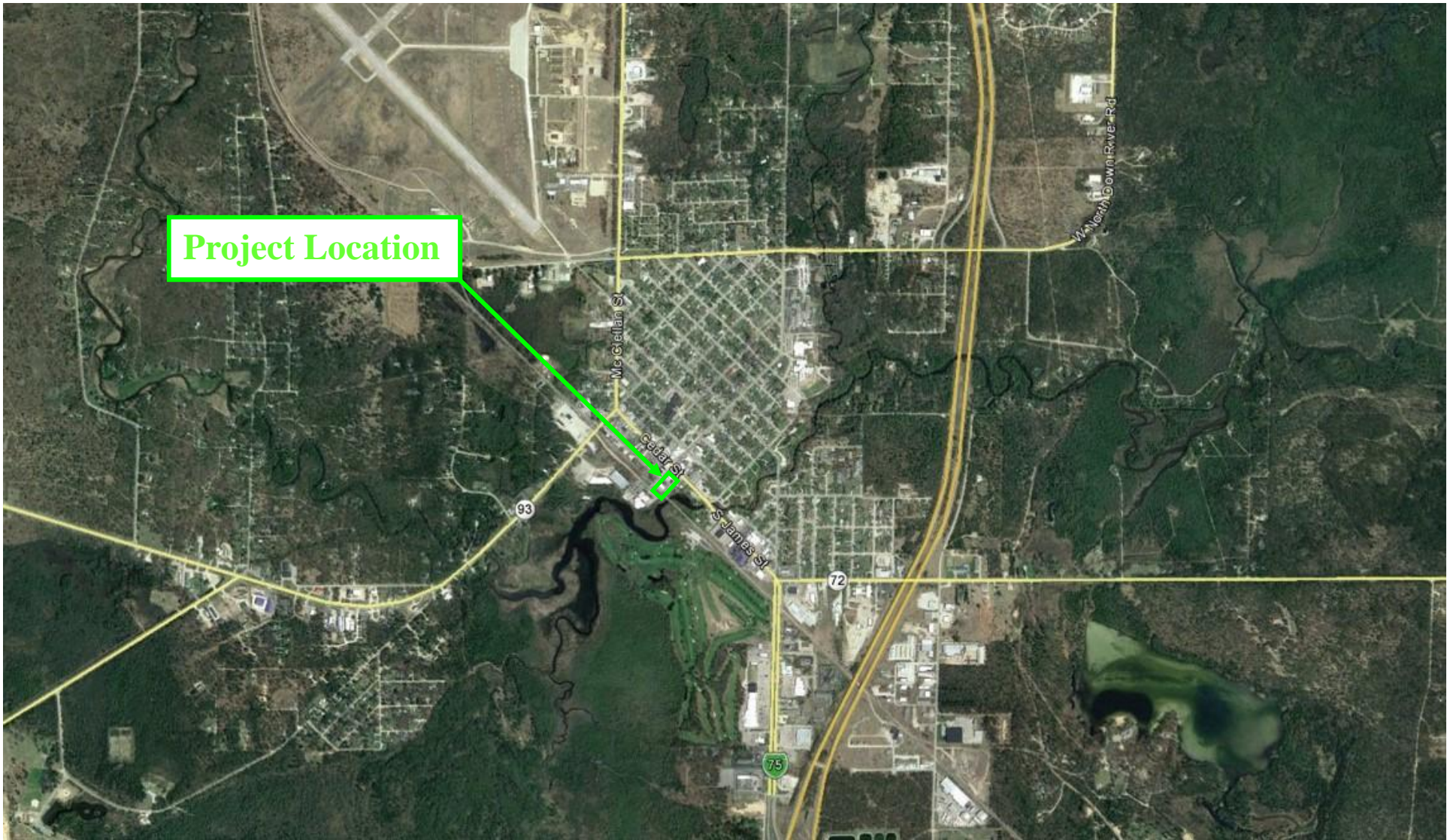
Footnotes:

Table 2.2 - Tax Incremental Revenue Reimbursement Allocation Table
Former Sawmill Redevelopment
Crawford County Brownfield Redevelopment Authority

Plan Year	17	18	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
Calendar Year	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	
Total State Incremental Revenue	\$ 72,994	\$ 74,819	\$ 76,690	\$ 78,607	\$ 80,572	\$ 82,586	\$ 84,651	\$ 86,767	\$ 88,936	\$ 91,160	\$ 93,439	\$ 95,775	\$ 98,169	\$ 100,623	\$ 2,109,557
State Brownfield Revolving Fund (50% of SET)	\$ 9,124	\$ 9,352	\$ 9,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,034
State TIR Available for Reimbursement	\$ 63,870	\$ 65,467	\$ 67,103	\$ 78,607	\$ 80,572	\$ 82,586	\$ 84,651	\$ 86,767	\$ 88,936	\$ 91,160	\$ 93,439	\$ 95,775	\$ 98,169	\$ 100,623	\$ 1,968,523
Total Local Incremental Revenue	\$ 100,101	\$ 102,603	\$ 105,168	\$ 107,797	\$ 110,492	\$ 113,255	\$ 116,086	\$ 118,988	\$ 121,963	\$ 125,012	\$ 128,137	\$ 131,341	\$ 134,624	\$ 96,409	\$ 2,851,360
BRA Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Local TIR Available for Reimbursement	\$ 100,101	\$ 102,603	\$ 105,168	\$ 107,797	\$ 110,492	\$ 113,255	\$ 116,086	\$ 118,988	\$ 121,963	\$ 125,012	\$ 128,137	\$ 131,341	\$ 134,624	\$ 96,409	\$ 2,804,900
Total State & Local TIR Available	\$ 163,971	\$ 168,070	\$ 172,272	\$ 186,404	\$ 191,064	\$ 195,841	\$ 200,737	\$ 205,755	\$ 210,899	\$ 216,172	\$ 221,576	\$ 227,115	\$ 232,793	\$ 197,032	\$ 4,773,424
DEVELOPER	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Developer Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,575,655
Developer Reimbursement Balance	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ 157,876	\$ -
<hr/>															
MSF Non-Environmental Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,389,460
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 585,936
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 803,524
Total MSF Reimbursement Balance	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ -
State MSF Balance to Be Reimbursed	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	
Local MSF Balance to Be Reimbursed	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	
MDEQ Environmental Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344,070
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 145,095
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198,976
Total MDEQ Reimbursement Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ -
State MDEQ Balance to Be Reimbursed	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	
Local MDEQ Balance to Be Reimbursed	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	
Local Only Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement Balance	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ -
Total Annual Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,778,531
<hr/>															
LOCAL BROWNFIELD REVOLVING FUND															
LBRF Deposits *	\$ 414,162	\$ 538,224	\$ 643,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 643,393
State Tax Capture	\$ 63,870	\$ 21,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 145,097
Local Tax Capture	\$ 100,101	\$ 102,603	\$ 105,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 498,296
Total LBRF Capture	\$ 163,971	\$ 124,063	\$ 105,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 643,393

* Up to five years of capture for LBRF Deposits taken from DEQ & Local TIR only.

Footnotes:



Project Location

**Former Sawmill Redevelopment - Grayling
Brownfield Plan**

Crawford County Brownfield Redevelopment Authority

Figure 1: Site Location

Date: November 2017



Former Sawmill Redevelopment - Grayling Brownfield Plan	Figure 2: Downtown Location
Crawford County Brownfield Redevelopment Authority	Date: November 2017



**Former Sawmill Redevelopment - Grayling
Brownfield Plan**

Crawford County Brownfield Redevelopment Authority

**Figure 3: Eligible Property
Boundaries**

Date: November 2017