

ACT 381 BROWNFIELD PLAN

**GAUTHIER REDEVELOPMENT
CHARTER TOWNSHIP OF GARFIELD, GRAND TRAVERSE COUNTY, MICHIGAN**

May 2024

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**Concurrence by Charter Township of
Garfield Board of Trustees:**

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May 15, 2024

**Approved by Grand Traverse County
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May 15, 2024

**Brownfield Plan
Gauthier Redevelopment
Charter Township of Garfield, Michigan**

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Project Summary

Keel Capital has a purchase agreement in place with the James E. and Phyllis A. Gauthier Trust for the acquisition of the Gauthier property located at 2105 N. US 31 South for the development of 149 workforce housing units. Closing is anticipated on June 24, 2024.

This Brownfield Plan will provide incremental tax revenues to repay certain Eligible Activities, including Baseline Environmental Assessment (BEA) and due care (known as Department Specific Activities), lead and asbestos abatement, demolition, and housing development activities that are critical to the economic viability of the redevelopment.

Environmental investigations have identified the presence of contaminants in soil and groundwater exceeding EGLE Generic Cleanup Residential Criteria and a Baseline Environmental Assessment has been prepared and will be submitted to EGLE. As a result, the property is a Part 201 Facility and qualifies as Brownfield Eligible Property under Act 381. The property also qualifies as Brownfield Eligible Property under the definition of Housing Property, which is the main purpose of this Brownfield Plan.

Project Name:	Gauthier Redevelopment
Project Location:	The Eligible Property is comprised of one parcel in the Charter Township of Garfield, 2105 N US 31 South, Parcel Identification Number 28-05-021-054-00
Type of Eligible Property:	Housing Property, Facility
Eligible Activities:	Baseline Environmental Assessment Activities, Due Care Activities, Housing Development Activities – (Asbestos Abatement, Demolition, Site Preparation, Infrastructure, Housing Financing Gap)

Eligible Activities	Environmental	Housing	TOTAL
ELIGIBLE ACTIVITY TOTAL	\$253,000	\$9,676,575	\$9,929,575

Period of Capture:	<i>20 years</i>	Estimated Investment:	\$35,000,000
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BROWNFIELD PLAN

GAUTHIER REDEVELOPMENT

CHARTER TOWNSHIP OF GARFIELD, GRAND TRAVERSE COUNTY, MICHIGAN

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

1.0 INTRODUCTION

Act 381, P.A. 1996, as amended, was enacted to promote the revitalization, redevelopment and reuse of sites identified as a facility, blighted, functionally obsolete, historic resource or housing property through incentives adopted as part of a Brownfield Plan. The Brownfield Plan outlines the qualifications, costs, impacts, and incentives for the project.

The Brownfield Plan must be approved by the Grand Traverse County Brownfield Redevelopment Authority (GTCBRA) established under Act 381, as amended and the Grand Traverse County Board of Commissioners (GTCBOC), with the concurrence of the Charter Township of Garfield Board of Trustees. The Michigan Department of Environment, Great Lakes and Energy (EGLE) must approve the Environmental ("Department Specific") Eligible Activities, with the exception of Baseline Environmental Assessment activities and Due Care Investigation and Planning, and the Michigan State Housing Development Authority (MSHDA) for Housing Development Activities, if state taxes are to be captured.

The Grand Traverse County Commission established the Grand Traverse County Brownfield Redevelopment Authority under the procedures required under Act 381 in 1997.

This Brownfield Plan is for the redevelopment of the Gauthier property south of the intersection of S. Airport Road and US 31 in the Charter Township of Garfield, Grand Traverse County, Michigan, consistent with Act 381. 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, and other project factors.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The proposed redevelopment will remove the existing buildings, conduct site preparation activities, and construct three buildings with a total of 149 rental units with rental rates targeted at 100% of the Area Median Income (AMI), published by MDHDA and adjusted on an annual basis https://www.michigan.gov/mshda/rental/Property-Managers/compliance/Income_Rent_and_Utility_Limits.

The property is zoned R-3 Multifamily Residential and is governed by the zoning ordinance of the Charter Township of Garfield. A Special Land Use Permit will be required for the proposed development.

The estimated private investment is anticipated at \$35,000,000. The project is located in the Charter Township of Garfield, which is not a Qualified Local Governmental Unit (QLGU).

1.2 Eligible Property Information

The Eligible Property includes one parcel, as described below:

Parcel Number	Address	Description	Acreage	Qualifying Status
28-05-021-054-00	2105 N. US 31 South	GA 281 A ALL THAT PART SE1/4 SW1/4 LYING WLY US 31 & NLY OLD US 31 EXC N 460' SEC 21 T27N R11W 19 A.	18.98	Housing Property Part 201 Facility

1.3 Public Purpose *MCL 125.2664(5):*

The development of the Gauthier property into a 149-unit apartment complex for moderate income individuals and families will meet a critical community need for affordable and workforce housing and increase property taxes. After the Brownfield obligation is met, the project is estimated to generate property taxes at over **\$768,362** per year.

1.4 Housing Needs and Job Growth Data *MCL 125.2652(o)(ii)*

Housing Need

Housing North, a regional not-for-profit organization focused on housing solutions, issued a 10-county regional [Housing Needs Assessment of Northern Michigan](#), which includes Grand Traverse County. The Grand Traverse County Housing Needs Assessment showed an overall housing gap of 11,361 units, with a gap of 3,569 rental units and a gap of 7,792 for sale units over the period 2022 - 2027. Low-income and workforce (less than or equal to 120% of Area Median Income) housing gap is particularly acute, with a gap of 3,379 rental units and 5,751 for sale units.

The following is a summary conclusion from the Grand Traverse County Housing Needs Assessment:

“The county’s housing market has availability and affordability issues, particularly among housing that serves lower income households. These housing challenges expose the county to losing residents to surrounding areas, making the community vulnerable to the existing housing stock becoming neglected, discouraging potential employers coming to the area, and creating challenges for local employers to retain and attract workers. There are housing gaps for both rental and for-sale housing alternatives at a variety of rents and price points. As such, county housing plans should encourage and support the development of a variety of product types at a variety of affordability levels.”

Source: [Housing Needs Assessment Northern Michigan](#), Appendix G Grand Traverse County, Bowen National Research/Housing North, 2023.

Job Growth Data

According to the University of Michigan Department of Economics, Grand Traverse County is projected to see employment gains of 6.7 percent by 2050, the eleventh highest county employment growth rate in Michigan.

Source: *The Economic and Demographic Outlook for Michigan through 2050*, Jacob T. Burton, Gabriel M. Ehrlich, Donald R. Grimes, Kyle W. Henson, Daniil Manaenkov, and Michael R. McWilliams University of Michigan

2.0 INFORMATION REQUIRED BY SECTION 13(2) OF THE STATUTE

2.1 Description of Project and Plan Costs

MCL 125.2663(2)(a):

The project includes the development of 149 workforce housing units. The Brownfield Plan includes EGLE Department Specific and MSHDA Housing Development Eligible Activities:

EGLE Department Specific Eligible Activities include:

- Baseline Environmental Assessment Activities
 - Phase I Environmental Site Assessment
 - Phase II Environmental Site Assessment
 - Baseline Environmental Assessment
- Due Care Activities
 - Due Care Investigation, Planning and Documentation
 - Due Care Response Activities

MSHDA Housing Development Eligible Activities include:

- Lead and Asbestos Abatement
- Demolition
- Housing Financing Gap

- Site Preparation
- Infrastructure

Eligible Activities	Environmental	Housing	TOTAL
ELIGIBLE ACTIVITY TOTAL	\$253,000	\$9,676,575	\$9,929,575

Additional detail is provided in Table 1.1: EGLE Environmental Eligible Activities and Table 1.2 MSHDA Housing Development Eligible Activities.

The cost of Eligible Activities included in and authorized by this Brownfield Plan will be reimbursed with incremental applicable local and state tax revenue generated by the increased private investment on the Eligible Property and captured by the GTCBRA, subject to any limitation and conditions described in this Brownfield Plan and the terms of a Reimbursement Agreement between the Developer and the GTCBRA. State tax capture requires approval of an Act 381 Work Plan by EGLE for Environmental Eligible Activities, and MSHDA for Housing Development Activities, with exemptions for certain Eligible Activities, including Baseline Environmental Assessment, Due Care Investigation and Planning, and Pre-Demolition Surveys, as well as Asbestos Abatement and Demolition not to exceed \$250,000.

The Eligible Activity costs included in this Brownfield Plan are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Eligible Property or other circumstances. Reimbursement will be based on the actual cost of Eligible Activities approved under this Brownfield Plan and an Act 381 Work Plan if applicable, from available Brownfield Tax Increment Financing (TIF) revenues captured by the Authority and shall be governed by the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). This Brownfield Plan and the Reimbursement Agreement establish the maximum Eligible Activity cost. Line-item Eligible Activity may be adjusted after the adoption of this Brownfield Plan with the approval of the Authority, as long as the total maximum Eligible Activity cost is not exceeded.

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

Act 381 provides for the costs of certain Eligible Activities to be reimbursed through tax increment financing. The following is a summary of Eligible Activities:

EGLE Department Specific Eligible Activities

1. **Baseline Environmental Assessment (BEA) Activities:** BEA Activities include a Phase I Environmental Site Assessment (ESAs), Phase II ESA, and a Baseline Environmental Assessment to provide an exemption for the developer from environmental liability for pre-existing contamination. Act 381 includes provisions for Baseline Environmental Activities to be conducted prior to the approval of a Brownfield Plan for local tax capture (Section 13b.(9)(b)) and for State tax capture without EGLE approval (Section 13b.(8)(a-b)), as long as included in a subsequent Brownfield Plan.
 - A. **Phase I ESA:** A Phase I ESA has been conducted for the Eligible Property with ASTM Standard E1527-21 in August 2023. The Phase I ESA includes 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). The Phase I report identified the following REC:
 1. The historical use of the property as an orchard, with the potential for residual pesticides, lead and/or arsenic remaining in on-site soils.
 - B. **Phase II ESA:** A Phase II Environmental Site Assessment was conducted for the Eligible Property in October 2023 to investigate the REC as part of the environmental due diligence process for property acquisition. Analysis of the soil samples identified the presence of arsenic exceeding EGLE Generic Cleanup Criteria for Direct Contact and Drinking Water Protection. As a result, the property does qualify as Brownfield Eligible Property as a Part 201 Facility, along with the qualification as Housing Property.
 - C. **Baseline Environmental Assessment:** A Baseline Environmental Assessment (BEA) has been prepared on behalf of Keel Capital, LLC to provide an exemption from environmental liability for pre-existing contamination.
2. **Due Care Investigation and Activities:** While the BEA provides an exemption from environmental liability for pre-existing contamination, new purchasers have due care obligations to prevent exposure to or exacerbation of pre-existing contamination. Act 381 includes provisions for Due Care Investigation Activities to be conducted prior to the approval of a Brownfield Plan for local tax capture (Section 13b.(9)(b)) and for state tax capture without EGLE approval (Section 13b.(8)(a,c)), as long as included in

a subsequent Brownfield Plan. There are three primary due care activities proposed under this Brownfield Plan:

- A. Due Care Investigation: Due to the presence of contaminated soils on the Eligible Property, additional investigation may be required to determine if exposure pathways are complete and if mitigation measures are required.
- B. Due Care Planning and Documentation: Following the completion of the due care investigation and determination of the redevelopment details of each future land use, the data summary and recommendations for meeting due care obligations will be included in a Response Activity Plan/Due Care Plan. The Response Activity Plan/Due Care Plan will describe the known contamination, proposed redevelopment activities, plans for mitigating unacceptable exposures and preventing exacerbation, recommendations for filing abandon container notices, notices to third parties who may be exposed to contamination (e.g., utility workers), and filing of Notices of Migration of Contamination, if necessary. In addition, an Environmental Construction Management Plan will be prepared to detail measures to protect on-site workers and construction measures to meet due care obligations. Once the due care measures are completed, Documentation of Due Care Compliance will be compiled.
- C. Due Care Exposure Pathway Mitigation: The Response Activity Plan/Due Care Plan and Environmental Construction Management Plan will identify specific measures to be taken to address due care requirements. These activities could include soil remediation; developing and implementing a soils management plan to safely relocate soils on the property or remove soils for transport and disposal to a licensed landfill; and/or institutional controls if necessary. These measures will be subject to approval of an Act 381 Work Plan by the EGLE for State tax capture.

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

EGLE Department Specific Eligible Activity Cost

<u>Eligible Activities</u>	<u>Estimated Cost</u>
Baseline Environmental Assessment	\$36,000
Due Care Activities	\$184,000
Contingency (15%)	\$33,000
EGLE Department Specific Eligible Activities Subtotal	\$253,000

MSDHA Housing Development Eligible Activities

MSHDA Housing Development Eligible Activities are included under this Brownfield Plan under the auspices of Act 381. The MSHDA Housing Development Eligible Activities include Lead and Asbestos Abatement, Demolition, Site Preparation, and Housing Financing Gap.

1. *Lead and Asbestos Abatement:* NESHAP and MIOSHA regulations require a lead and asbestos survey prior to disturbance of certain 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.

Lead and Asbestos Abatement	Total
Pre-Demolition Survey	\$4,000
Monitoring	\$4,000
Abatement	\$22,000
TOTAL	\$30,000

2. *Demolition:* In preparation for redevelopment, all existing buildings and existing site appurtenances will be removed. The scope of work includes engineering specifications, contractor procurement and site demolition and selective demolition of the on-site buildings.

Demolition	Total
Site Demolition	\$20,000
Building Demolition	\$200,000
Engineering/Inspections	\$8,000
TOTAL	\$238,000

3. *Housing Financing Gap:* Act 381 provides for reimbursement from Brownfield TIF revenues of the financing gap between development costs and revenues for housing for qualified households with incomes not more than 120% of the Area Median Income (AMI).

The Gauthier Redevelopment Brownfield Plan includes the following costs related to the financing gap between development costs and revenues for the 149 residential units for qualified households of not more than 100% AMI, less than the 120% AMI rent requirement under Act 381.

The proposed Housing Financing Gap is less than calculated under the Grand Traverse County Brownfield Redevelopment Authority Potential Rent Loss calculation, provided in the Appendix.

Housing Development Eligible Activities	Total
Financing Gap between Development and Qualified Income	\$6,500,000
TOTAL	\$6,500,000

4. *Site Preparation:* Site preparation will consist of clearing and grubbing, subbase preparation, excavation for unstable soils and fill, land balancing and grading, geotechnical engineering, special foundations, relocation of active utilities, and temporary site and erosion control.

Site Preparation	Total
Earthwork	\$530,000
Geotech, Special Foundations	\$8,000
Retaining Walls	\$60,000
Staking, Temp Facilities	\$58,000
Architectural/Engineering	\$57,600
TOTAL	\$713,600

5. *Infrastructure:* Infrastructure costs will include a stormwater management system for the collection and infiltration of stormwater from impervious surfaces, including buildings and parking.

Infrastructure	Total
Utilities	\$767,000
Roads, Parking, Curb Gutter, Sidewalks	\$675,000
Stormwater Management System	\$216,000
Architectural/Engineering	\$132,640
TOTAL	\$1,790,640

A contingency of 15% is budgeted for abatement, demolition, site preparation, and infrastructure.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues *MCL 125.2663(2)(c):*

Act 381 defines Initial Taxable Value as taxable value of an Eligible Property identified in and subject to a Brownfield Plan at the time the resolution adding that Eligible Property in the Brownfield Plan is adopted, as shown either by the most recent assessment roll for which equalization has been completed at the time the resolution is adopted or, if provided by the Brownfield Plan, by the next assessment roll for which equalization will be completed following the date the resolution adding that Eligible Property in the Brownfield Plan is adopted.

The taxable value as of December 31, 2022 is **\$308,812**. As provided in this Brownfield Plan, the Initial Taxable Value Base Year is 2023.

The EGLE Department Specific and MSHDA Housing Development Eligible Activity costs total **\$9,929,575**.

Other expenses for which Brownfield Tax Increment Revenues may be used include Administrative and Operating Costs of the GTCBRA, Local Brownfield Revolving Fund, and the State Brownfield Redevelopment Fund.

Administrative and Operating Costs (Section 13b(7))

Act 381 provides for the capture of Brownfield Tax Increment Revenues for reasonable and actual administrative and operating expenses of the GTCBRA with local taxes only, and the cost of developing and preparing Brownfield Plans and Act 381 Work Plans with both local and state taxes. The estimated amount of administrative and operating expenses allocated under this Brownfield Plan is \$196,207 and for Brownfield Plan / Act 381 Work Plan Development is \$80,000.

Local Brownfield Revolving Fund (“LBRF”) (Section 8; Section 13(2)(m))

The GTCBRA has established a Local Brownfield Revolving Fund (LBRF). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LBRF, as specified in Section 13(5) of Act 381, under this Brownfield Plan and any other plan of the GTCBRA. The LBRF may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is currently estimated at \$359,065. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

Brownfield Redevelopment Fund (Section 8a; Section 13(2)(m))

The GTCBRA shall pay to the Department of Treasury at least once annually an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each eligible property included in this Plan. If the GTCBRA pays an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel

and used to reimburse eligible activities for the Project under this Brownfield Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Brownfield Plan if the 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381. The estimated allocation to the State Brownfield Redevelopment Fund is \$798,531. The overall investment for the Project is estimated at over *\$35 million*.

Table 2 identifies taxable values for real and personal property, including tax increment revenues for the Eligible Property. In addition, 3 mils are captured and distributed to the State for the State Brownfield Redevelopment Fund for the time period in which State taxes are captured for EGLE Department Specific Eligible Activities. In accordance with Act 381, this share does not affect the State and local ratio. The Brownfield Plan proposes a capture period of *twenty (20) years* from the first year of capture, estimated to be 2027.

Redevelopment of the property will begin in Fall 2024, with initial asbestos abatement and demolition. 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. The estimated tax increment captured by the Authority is detailed in Table 2.

2.4 Method of Financing and Description of Advances Made by the Municipality *MCL 125.2663(2)(d):*

The Eligible Activities are to be financed solely by the Developer. The GCBRA will reimburse the Developer for the cost of approved Eligible Activities, but only from tax increment revenues generated and captured from the Eligible Property. No advances have been or shall be made by the Township or the GTCBRA for the costs of Eligible Activities under this Brownfield Plan.

2.5 Maximum Amount of Note or Bond Indebtedness *MCL 125.2663(2)(e):*

The maximum amount of Eligible Activities is anticipated to be \$9,929,575.

2.6 Beginning Date and Duration of Capture *MCL 125.2663(2)(f):*

The beginning date of capture is 2027. The duration of Brownfield Plan capture will be 20 years.

2.7 Estimated Impact of Tax Increment Financing on Tax Revenues of Taxing Jurisdictions MCL 125.2663(2)(g):

Table 2.1 and 2.2 identify 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 2.1. The taxing jurisdictions will continue to receive their tax allocation for the project once the Brownfield obligation is met and beyond the duration of the Brownfield Plan.

The total tax capture is estimated at \$9,929,575 for Eligible Activities. The Brownfield Plan also includes \$80,000 in Brownfield Plan development, approval and implementation, GTCBRA Administrative and Operating Costs, estimated at \$196,207 and capture of 50% of the State Education Tax for the State Brownfield Fund as required by Act 381, estimated at \$798,531 for this Brownfield Plan. The Brownfield Plan also provides for deposits into the Local Brownfield Revolving Fund (“LBRF”) for during the period of capture, with State tax capture limited to an amount equal to State tax capture for EGLE Department Specific Eligible Activities if available. LBRF deposits from local and state taxes are estimated at \$359,065.

After the Brownfield obligation is met, tax revenues in an amount estimated at \$768,362 per year on into the future.

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

Legal Description: The legal description of the Eligible Property follows:

Parcel Number	Address	Description	Acreage	Qualifying Status
28-05-021-054-00	2105 N. US 31 South	GA 281 A ALL THAT PART SE1/4 SW1/4 LYING WLY US 31 & NLY OLD US 31 EXC N 460' SEC 21 T27N R11W 19 A.	18.98	Housing Property Part 201 Facility

Location: The Eligible Property is located at 2015 N. US 31 South in the Charter Township of Garfield, Grand Traverse County, Michigan. Figure 1 depicts the location of the Eligible Property and Figure 2 depicts the Eligible Property boundaries.

Eligibility Determination: The property qualifies under the definition of “Housing Property” in Act 381 as property on which 1 or more residential housing units are proposed to be construction. In addition, A Phase II Environmental Site Assessment was conducted for the Eligible Property in October 2023 to investigate the REC as part of the environmental due diligence process for property acquisition. Analysis of the soil samples

identified the presence of arsenic exceeding EGLE Generic Cleanup Criteria for Direct Contact and Drinking Water Protection. As a result, the property also qualifies as Brownfield Eligible Property as a Part 201 Facility.

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

There are currently four residential dwellings or residences that occupy the Eligible Property.

2.10 Plan for Residential Relocation *MCL 125.2663(2)(j):*

The leases for the rental houses are on a month-to-month lease and expire at various times, but on or before September 30, 2024. Residents have been informed of the property acquisition and that the leases will not be renewed. Assistance will be provided as necessary to relocation assistance.

2.11 Provision of Costs of Relocation *MCL 125.2663(2)(k):*

Costs for relocation will be borne by the current lessees.

2.12 Strategy to Comply with Relocation Assistance Act, 1972 PA 227 *MCL 125.2663(2)(l):*

Relocation arrangements have been made by the current lessees.

2.13 Other Material Required by the Authority or Governing Body *MCL 125.2663(2)(m):*

None

EXHIBITS

FIGURES

- Figure 1 Eligible Property Location Map**
- Figure 2.1 Eligible Property Boundary**
- Figure 2.2 Survey**
- Figure 3 Site Photos**
- Figure 4 Eligible Property Preliminary Site Plan**
- Figure 5 Conceptual Elevations**

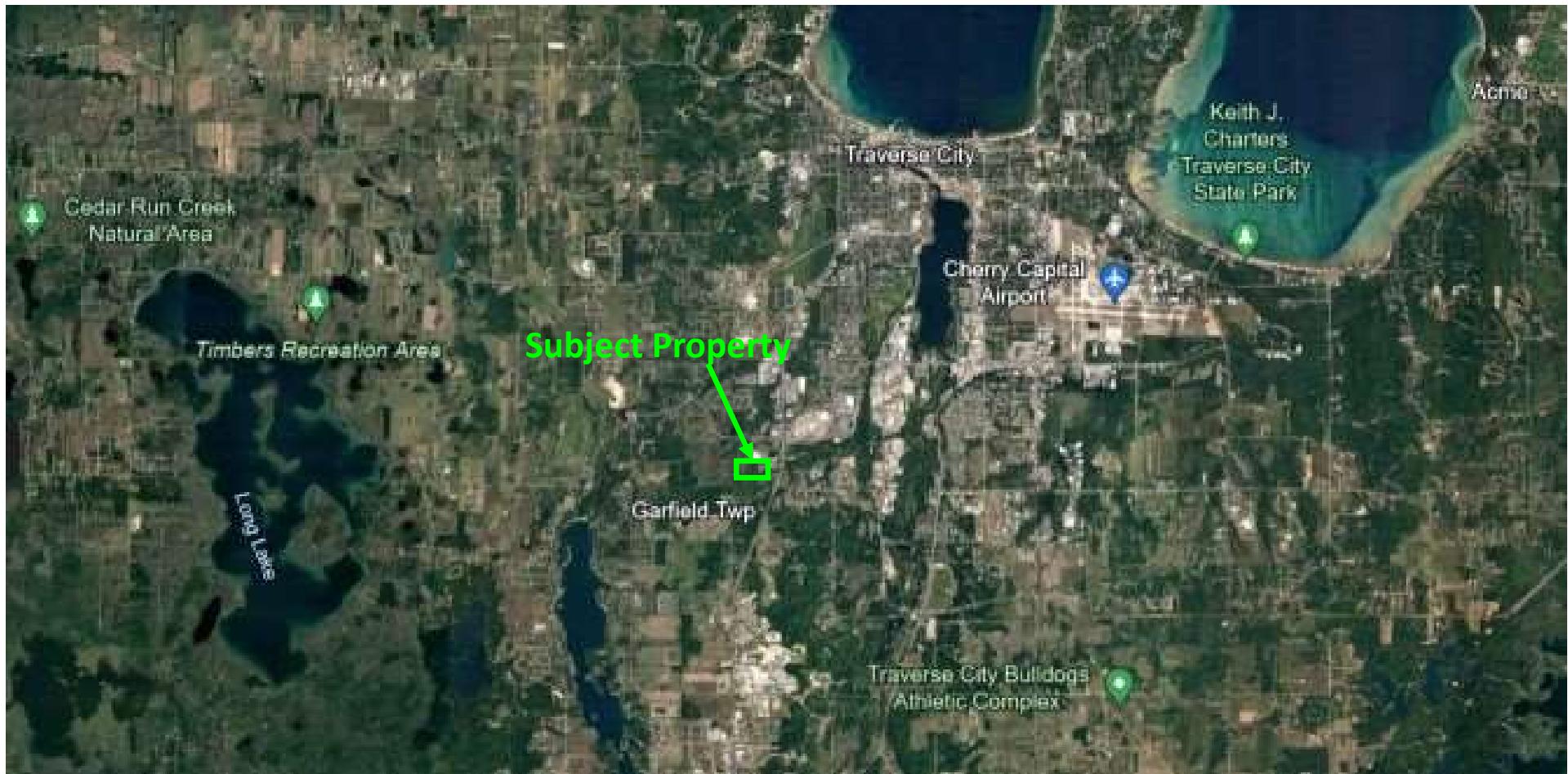
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FIGURES



**Brownfield Plan
Gauthier Redevelopment**

Grand Traverse County Brownfield Redevelopment Authority

**Figure 1: Eligible Property
Site Location**

Source: Google Earth

Date: April 2024



**Brownfield Plan
Gauthier Redevelopment**

Grand Traverse County Brownfield Redevelopment Authority

Figure 2.1: Eligible Property Boundary

Source: Google Earth

Date: April 2024



Brownfield Plan

Gauthier Redevelopment

Grand Traverse County Brownfield Redevelopment Authority

Figure 2.2: Survey

Source: Gosling Czubak Engineering Services, Inc., Traverse City, Michigan

Date: August 2023



US 31 N View - West



Shop Building



Undeveloped Property - West



Undeveloped Rolling Forestland

Brownfield Plan Gauthier Redevelopment

Grand Traverse County Brownfield Redevelopment Authority

Figure 3: Color Site Photographs

Source: Gosling Czubak Engineering
Services, Inc., Traverse City, Michigan

Date: July 2023



2101



2105



2107



2111



2113

Residences

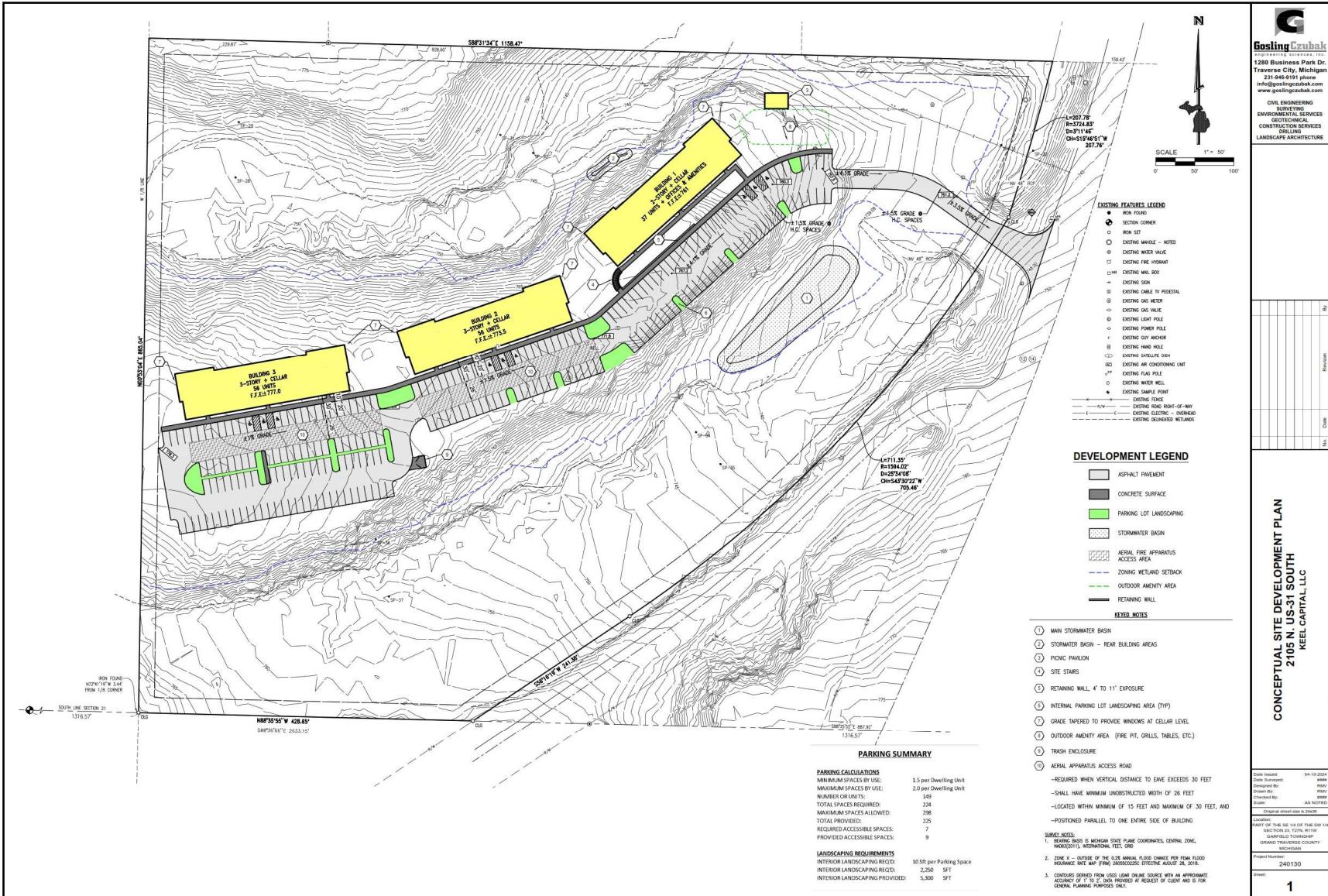
Brownfield Plan Gauthier Redevelopment

Grand Traverse County Brownfield Redevelopment Authority

Figure 3: Color Site Photographs

Source: Gosling Czubak Engineering
Services, Inc., Traverse City, Michigan

Date: July 2023



Brownfield Plan Gauthier Redevelopment

Grand Traverse County Brownfield Redevelopment Authority

Figure 4: Site Plan

Source: Gosling Czubak Engineering Services, Inc., Traverse City, Michigan

Date: April 2024

CONCEPTUAL ELEVATIONS



Note: Conceptual designs

Brownfield Plan Gauthier Redevelopment

Grand Traverse County Brownfield Redevelopment Authority

Figure 5: Conceptual Elevations

Source: Keel Capital

Date: April 2024

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Table 1.1 EGLE Environmental Eligible Activities Costs GAUTHIER PROJECT GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY	
EGLE Environmental Eligible Activities	Cost
Department Specific Activities	
BEA Activities	
<i>Phase I ESA</i>	\$3,000
<i>Phase II ESA</i>	\$30,000
<i>Baseline Environmental Assessment</i>	\$3,000
	BEA Subtotal
	\$36,000
Due Care Activities	
<i>Due Care Investigation</i>	\$30,000
<i>Section 7A Compliance Analysis</i>	\$4,000
Due Care Measures	
<i>Soil Removal, Transport and Disposal</i>	\$150,000
	Due Care Subtotal
	\$184,000
	Environmental Subtotal
	\$220,000
Contingency (15%)	\$33,000
	EGLE Eligible Activities Subtotal
	\$253,000
Brownfield Plan/Act 381 Work Plan Preparation	\$5,000
Brownfield Plan/Act 381 Work Plan Implementation	\$5,000
	EGLE Environmental Eligible Activities Total Costs
	\$263,000

Table 1.3 MSHDA Housing Development Eligible Activities Costs		
GAUTHIER PROJECT		
GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY		
MSHDA Housing Development Eligible Activities	Cost	
Qualified Rehabilitation		
	<i>Subtotal</i>	\$0
Public Infrastructure Improvements		
	<i>Subtotal</i>	\$0
Demolition		
<i>Asbestos Abatement</i>		\$30,000
<i>Site Demolition</i>		\$20,000
<i>Building Demolition</i>		\$200,000
<i>Engineering/Inspections/CM</i>		\$8,000
	<i>Subtotal</i>	\$258,000
Financing Gap		
<i>Financing Gap between Development and Qualified Income</i>		\$6,500,000
	<i>Subtotal</i>	\$6,500,000
Infrastructure Improvements		
<i>Utilities</i>		\$767,000
<i>Roads, Curb and Gutter, Sidewalks</i>		\$675,000
<i>Stormwater Management</i>		\$216,000
<i>Architectural/Engineering Costs (8%)</i>		\$132,640
	<i>Subtotal</i>	\$1,790,640
Site Preparation		
<i>Clearing and Grubbing</i>		\$30,000
<i>Cut and Fill Operations</i>		\$100,000
<i>Geotechnical Engineering</i>		\$8,000
<i>Grading and Land Balancing</i>		\$400,000
<i>Retaining Walls</i>		\$60,000
<i>Staking</i>		\$8,000
<i>Temporary Facilities, Site Control, Protection</i>		\$50,000
<i>Soft Costs</i>		\$57,600
	<i>Subtotal</i>	\$713,600
Property Acquisition/Assistance		\$0
	<i>Subtotal</i>	\$0
	Private MSHDA Eligible Activities Subtotal	\$9,262,240
Contingency (15%)		\$414,335
	Private MSHDA Eligible Activities Subtotal	\$9,676,575
Brownfield Plan/Act 381 Work Plan Preparation		\$25,000
	Private MSHDA Eligible Activities SubTotal	\$9,701,575
Brownfield Plan/Act 381 Work Plan Implementation		\$45,000
	Public Eligible Activities Total	\$45,000
	MSHDA Eligible Activities Total Costs	\$9,746,575

Table 2.1 - Annual Revenue and Brownfield Capture Estimates
Gauthier Redevelopment
Grand Traverse County Brownfield Redevelopment Authority

Percentage Non-Homestead Estimated Taxable Value (TV) Increase Rate:	100.00% 2.30%																		
	Plan Year Capture Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Revenue Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040		
*Base Taxable Value	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812			
*Base Taxable Value - Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
*Base Taxable Value - Building	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812			
*Land Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
10555000																			
Annual Value Additions	\$ 21,110,000																		
Cumulative Value Additions	\$ 21,110,000.00																		
Estimated New TV	\$ 308,812	\$ 315,915	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181	\$ 323,181			
Incremental Difference (New TV - Base TV)	\$ 10,569,369	\$ 10,819,567	\$ 11,075,520	\$ 11,337,359	\$ 11,605,221	\$ 11,879,244	\$ 12,159,569	\$ 12,446,342	\$ 12,739,711	\$ 13,039,827	\$ 13,346,845	\$ 13,660,925	\$ 13,982,229	\$ 14,310,923					
Total School Revenue	Millage Rate																		
53.54%	24.0000	\$ 7,411	\$ 7,582	\$ 7,756	\$ 261,076	\$ 267,081	\$ 273,224	\$ 279,508	\$ 285,937	\$ 292,513	\$ 299,241	\$ 306,124	\$ 313,165	\$ 320,367	\$ 327,736	\$ 335,274	\$ 342,985	\$ 350,874	
Total Local Revenue	Millage Rate																		
46.46%	20.8226	\$ 6,430	\$ 6,578	\$ 6,729	\$ 226,512	\$ 231,722	\$ 237,051	\$ 242,504	\$ 248,081	\$ 253,787	\$ 259,624	\$ 265,595	\$ 271,704	\$ 277,953	\$ 284,346	\$ 290,886	\$ 297,577	\$ 304,421	
Total Revenue	Millage Rate																		
44.8226	\$ 13,842	\$ 14,160	\$ 14,486	\$ 487,588	\$ 498,803	\$ 510,275	\$ 522,012	\$ 534,018	\$ 546,300	\$ 558,865	\$ 571,719	\$ 584,869	\$ 598,321	\$ 612,082	\$ 626,160	\$ 640,562	\$ 655,295		
School Capture	Millage Rate																		
25.00%	6.0000	\$ -	\$ -	\$ -	\$ 63,416	\$ 64,917	\$ 66,453	\$ 68,024	\$ 69,631	\$ 71,275	\$ 72,957	\$ 74,678	\$ 76,438	\$ 78,239	\$ 80,081	\$ 81,966	\$ 83,893	\$ 85,866	
School Operating Tax	75.00%	18.0000	\$ -	\$ -	\$ -	\$ 190,249	\$ 194,752	\$ 199,359	\$ 204,072	\$ 208,894	\$ 213,826	\$ 218,872	\$ 224,034	\$ 229,315	\$ 234,717	\$ 240,243	\$ 245,897	\$ 251,680	\$ 257,597
School Total	24.0000	\$ -	\$ -	\$ -	\$ 253,665	\$ 259,670	\$ 265,812	\$ 272,097	\$ 278,525	\$ 285,102	\$ 291,830	\$ 298,712	\$ 305,753	\$ 312,956	\$ 320,324	\$ 327,862	\$ 335,574	\$ 343,462	
Local Capture	Millage Rate																		
	38.05%																		
TWP Allocated	11.87%	1.7500	\$ -	\$ -	\$ -	\$ 18,496	\$ 18,934	\$ 19,382	\$ 19,840	\$ 20,309	\$ 20,789	\$ 21,279	\$ 21,781	\$ 22,294	\$ 22,820	\$ 23,357	\$ 23,907	\$ 24,469	\$ 25,044
COUNTY Allocated	32.06%	4.7268	\$ -	\$ -	\$ -	\$ 49,959	\$ 51,142	\$ 52,352	\$ 53,589	\$ 54,856	\$ 56,151	\$ 57,476	\$ 58,831	\$ 60,218	\$ 61,637	\$ 63,088	\$ 64,572	\$ 66,091	\$ 67,645
Animal Control	0.25%	0.0370	\$ -	\$ -	\$ -	\$ 391	\$ 400	\$ 410	\$ 419	\$ 429	\$ 440	\$ 450	\$ 461	\$ 471	\$ 482	\$ 494	\$ 505	\$ 517	\$ 530
Veterans	0.77%	0.1135	\$ -	\$ -	\$ -	\$ 1,200	\$ 1,228	\$ 1,257	\$ 1,287	\$ 1,317	\$ 1,348	\$ 1,380	\$ 1,413	\$ 1,446	\$ 1,480	\$ 1,515	\$ 1,551	\$ 1,587	\$ 1,624
Roads	6.60%	0.9734	\$ -	\$ -	\$ -	\$ 10,288	\$ 10,532	\$ 10,781	\$ 11,036	\$ 11,297	\$ 11,563	\$ 11,836	\$ 12,115	\$ 12,401	\$ 12,693	\$ 12,992	\$ 13,298	\$ 13,610	\$ 13,930
COA	3.21%	0.4739	\$ -	\$ -	\$ -	\$ 5,009	\$ 5,127	\$ 5,249	\$ 5,373	\$ 5,500	\$ 5,630	\$ 5,762	\$ 5,898	\$ 6,037	\$ 6,180	\$ 6,325	\$ 6,474	\$ 6,626	\$ 6,782
COA - Senior Center	0.64%	0.0945	\$ -	\$ -	\$ -	\$ 999	\$ 1,022	\$ 1,047	\$ 1,071	\$ 1,097	\$ 1,123	\$ 1,149	\$ 1,176	\$ 1,204	\$ 1,232	\$ 1,261	\$ 1,291	\$ 1,321	\$ 1,352
Conservation District	0.65%	0.0958	\$ -	\$ -	\$ -	\$ 1,013	\$ 1,037	\$ 1,061	\$ 1,086	\$ 1,112	\$ 1,138	\$ 1,165	\$ 1,192	\$ 1,220	\$ 1,249	\$ 1,279	\$ 1,309	\$ 1,339	\$ 1,371
TADL	6.13%	0.9044	\$ -	\$ -	\$ -	\$ 9,559	\$ 9,785	\$ 10,017	\$ 10,254	\$ 10,496	\$ 10,744	\$ 10,997	\$ 11,256	\$ 11,522	\$ 11,793	\$ 12,071	\$ 12,355	\$ 12,646	\$ 12,943
BATA	3.25%	0.4788	\$ -	\$ -	\$ -	\$ 5,061	\$ 5,180	\$ 5,303	\$ 5,428	\$ 5,557	\$ 5,688	\$ 5,822	\$ 5,959	\$ 6,100	\$ 6,243	\$ 6,390	\$ 6,541	\$ 6,695	\$ 6,852
REC AUTHORITY	1.02%	0.1500	\$ -	\$ -	\$ -	\$ 1,585	\$ 1,623	\$ 1,661	\$ 1,701	\$ 1,741	\$ 1,782	\$ 1,824	\$ 1,867	\$ 1,911	\$ 1,956	\$ 2,002	\$ 2,049	\$ 2,097	\$ 2,147
NMC	13.96%	2.0574	\$ -	\$ -	\$ -	\$ 21,745	\$ 22,260	\$ 22,787	\$ 23,325	\$ 23,877	\$ 24,440	\$ 25,017	\$ 25,607	\$ 26,211	\$ 26,828	\$ 27,460	\$ 28,106	\$ 28,767	\$ 29,443
ISD	19.58%	2.8871	\$ -	\$ -	\$ -	\$ 30,515	\$ 31,237	\$ 31,976	\$ 32,732	\$ 33,505	\$ 34,297	\$ 35,106	\$ 35,934	\$ 36,781	\$ 37,647	\$ 38,534	\$ 39,440	\$ 40,368	\$ 41,317
Local Total	100.00%	14.7426	\$ -	\$ -	\$ -	\$ 155,820	\$ 159,509	\$ 163,282	\$ 167,142	\$ 171,091	\$ 175,131	\$ 179,264	\$ 183,491	\$ 187,816	\$ 192,241	\$ 196,767	\$ 201,398	\$ 206,134	\$ 210,980
Total Capture	Millage Rate																		
	0.2394																		
TOTAL	38.7426	\$ -	\$ -	\$ -	\$ 409,485	\$ 419,178	\$ 429,094	\$ 439,239	\$ 449,616	\$ 460,233	\$ 471,093	\$ 482,20							

Table 2.1 - Annual Revenue and Brownfield Capture Estimates
Gauthier Redevelopment
Grand Traverse County Brownfield Redevelopment Authority

Percentage Non-Homestead Estimated Taxable Value (TV) Increase Rate:	100.00%																	
	17 15	18 16	19 17	20 18	21 19	22 20	23 21	24 22	25 23	26 24	27 25	28 26	29 27	30 28	31 29			
Revenue Year	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055			
*Base Taxable Value	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812			
*Base Taxable Value - Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
*Base Taxable Value - Building	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812	\$ 308,812			
*Land Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Annual Value Additions	\$ 10555000	\$ 21,110,000	\$ 29,023,321	\$ 29,690,857	\$ 30,373,747	\$ 31,072,343	\$ 31,787,007	\$ 32,518,108	\$ 33,266,025	\$ 34,031,143	\$ 34,813,860	\$ 35,614,578	\$ 36,433,714	\$ 37,271,689	\$ 38,128,938	\$ 39,005,904	\$ 39,903,039	
Cumulative Value Additions	\$ 21,110,000.00	\$ 29,023,321	\$ 29,690,857	\$ 30,373,747	\$ 31,072,343	\$ 31,787,007	\$ 32,518,108	\$ 33,266,025	\$ 34,031,143	\$ 34,813,860	\$ 35,614,578	\$ 36,433,714	\$ 37,271,689	\$ 38,128,938	\$ 39,005,904	\$ 39,903,039		
Estimated New TV	\$ 14,955,989	\$ 15,299,977	\$ 15,651,876	\$ 16,011,870	\$ 16,380,143	\$ 16,756,886	\$ 17,142,294	\$ 17,536,567	\$ 17,939,908	\$ 18,352,526	\$ 18,774,634	\$ 19,206,451	\$ 19,648,199	\$ 20,100,107	\$ 20,562,410			
Incremental Difference (New TV - Base TV)	\$ 14,647,177	\$ 14,991,165	\$ 15,343,064	\$ 15,703,058	\$ 16,071,331	\$ 16,448,074	\$ 16,833,482	\$ 17,227,755	\$ 17,631,096	\$ 18,043,714	\$ 18,465,822	\$ 18,897,639	\$ 19,339,387	\$ 19,791,295	\$ 20,253,598			
Total School Revenue	Millage Rate																	
	53.54%	24.0000	\$ 358,944	\$ 367,199	\$ 375,645	\$ 384,285	\$ 393,123	\$ 402,165	\$ 411,415	\$ 420,878	\$ 430,558	\$ 440,461	\$ 450,591	\$ 460,955	\$ 471,557	\$ 482,403	\$ 493,498	
Total Local Revenue	Millage Rate																	
	46.46%	20.8226	\$ 311,423	\$ 318,585	\$ 325,913	\$ 333,409	\$ 341,077	\$ 348,922	\$ 356,947	\$ 365,157	\$ 373,556	\$ 382,147	\$ 390,937	\$ 399,928	\$ 409,127	\$ 418,536	\$ 428,163	
Total Revenue	Millage Rate																	
	44.8226	\$ 670,366	\$ 685,785	\$ 701,558	\$ 717,694	\$ 734,201	\$ 751,087	\$ 768,362	\$ 786,035	\$ 804,113	\$ 822,608	\$ 841,528	\$ 860,883	\$ 880,683	\$ 900,939	\$ 921,661		
School Capture	Millage Rate																	
State Education Tax (SET)	25.00%	6.0000	\$ 87,883	\$ 89,947	\$ 92,058	\$ 94,218	\$ 96,428	\$ 98,688	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,748	\$ 121,522		
School Operating Tax	75.00%	18.0000	\$ 263,649	\$ 269,841	\$ 276,175	\$ 282,655	\$ 289,284	\$ 296,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,243	\$ 364,565		
School Total	24.0000																	
Local Capture	Millage Rate																	
TWP Allocated	11.87%	1.7500	\$ 25,633	\$ 26,235	\$ 26,850	\$ 27,480	\$ 28,125	\$ 28,784	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
COUNTY Allocated	32.06%	4.7268	\$ 69,234	\$ 70,860	\$ 72,524	\$ 74,225	\$ 75,966	\$ 77,747	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Animal Control	0.25%	0.0370	\$ 542	\$ 555	\$ 568	\$ 581	\$ 595	\$ 609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Veterans	0.77%	0.1135	\$ 1,662	\$ 1,701	\$ 1,741	\$ 1,782	\$ 1,824	\$ 1,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Roads	6.60%	0.9734	\$ 14,258	\$ 14,592	\$ 14,935	\$ 15,285	\$ 15,644	\$ 16,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
COA	3.21%	0.4739	\$ 6,941	\$ 7,104	\$ 7,271	\$ 7,442	\$ 7,616	\$ 7,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
COA - Senior Center	0.64%	0.0945	\$ 1,384	\$ 1,417	\$ 1,450	\$ 1,484	\$ 1,519	\$ 1,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Conservation District	0.65%	0.0958	\$ 1,403	\$ 1,436	\$ 1,470	\$ 1,504	\$ 1,540	\$ 1,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
TADL	6.13%	0.9044	\$ 13,247	\$ 13,558	\$ 13,876	\$ 14,202	\$ 14,535	\$ 14,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
BATA	3.25%	0.4788	\$ 7,013	\$ 7,178	\$ 7,346	\$ 7,519	\$ 7,695	\$ 7,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
REC AUTHORITY	1.02%	0.1500	\$ 2,197	\$ 2,249	\$ 2,301	\$ 2,355	\$ 2,411	\$ 2,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
NMC	13.96%	2.0574	\$ 30,135	\$ 30,843	\$ 31,567	\$ 32,307	\$ 33,065	\$ 33,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
ISD	19.58%	2.8871	\$ 42,288	\$ 43,281	\$ 44,297	\$ 45,336	\$ 46,400	\$ 47,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Local Total	100.00%																	
	44.8226	\$ 215,937	\$ 221,009	\$ 226,197	\$ 231,504	\$ 236,933	\$ 242,487											
Total Capture	Millage Rate																	
TOTAL	38.7426																	
Non-Capturable Millages	Millage Rate																	
TCAPS Debt	3.1000	\$ 45,406	\$ 46,473	\$ 47,563	\$ 48,679	\$ 49,821	\$ 50,989	\$ 52,184	\$ 53,406	\$ 54,656	\$ 55,936	\$ 57,244	\$ 58,583	\$ 59,952	\$ 61,353	\$ 62,786		
Rec Authority Debt	0.2300	\$ 3,369	\$ 3,448	\$ 3,529	\$ 3,612	\$ 3,696	\$ 3,783</											

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table
Gauthier Redevelopment
 Grand Traverse County Brownfield Redevelopment Authority

Maximum Reimbursement	Proportionality	School & Local Taxes	State Brownfield Fund	LBRF	Local-Only Taxes	Total
State	61.9%	\$ 6,200,663	\$ 798,531	\$ 162,857		\$ 7,162,050
Local	38.1%	\$ 3,808,912	\$ -	\$ 196,208	\$ 196,207	\$ 4,201,327
TOTAL	100.0%	\$ 10,009,575	\$ 798,531	\$ 359,065		\$ 11,363,377
EGLE Environmental		\$ 263,000				
MSF Non-Environmental		\$ -				
MSHDA Housing		\$ 9,746,575				
TOTAL		\$ 10,009,575				

Estimated Total Years of Capture:	
Local Eligible Activities	20
State Eligible Activities	20
LBRF	20

Estimated Capture	\$ 10,009,575
Administrative Fees	\$ 196,207
State Revolving Fund	\$ 798,531
LBRF	\$ 359,065
TOTAL	\$ 11,363,377

Plan Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Capture Year	notes	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Total State Incremental Revenue		\$ -	\$ -	\$ 253,665	\$ 259,670	\$ 265,812	\$ 272,097	\$ 278,525	\$ 285,102	\$ 291,830	\$ 298,712	\$ 305,753	\$ 312,956	\$ 320,324	\$ 327,862	\$ 335,574	\$ 343,462	
State Brownfield Revolving Fund (50% of SET)		\$ 798,530	\$ -	\$ 31,708	\$ 32,459	\$ 33,227	\$ 34,012	\$ 34,816	\$ 35,638	\$ 36,479	\$ 37,339	\$ 38,219	\$ 39,119	\$ 40,041	\$ 40,983	\$ 41,947	\$ 42,933	
LBRF Allocation	5.0%	\$ 162,857		\$ -	\$ 11,098	\$ 11,361	\$ 11,629	\$ 11,904	\$ 12,185	\$ 12,473	\$ 12,768	\$ 13,069	\$ 13,377	\$ 13,692	\$ 14,014	\$ 14,344	\$ 14,681	\$ 15,026
State TIR Available for Reimbursement		\$ -	\$ -	\$ 210,859	\$ 215,850	\$ 220,957	\$ 226,180	\$ 231,524	\$ 236,991	\$ 242,583	\$ 248,305	\$ 254,157	\$ 260,145	\$ 266,270	\$ 272,535	\$ 278,945	\$ 285,503	
Total Local Incremental Revenue		\$ -	\$ -	\$ 155,820	\$ 159,509	\$ 163,282	\$ 167,142	\$ 171,091	\$ 175,131	\$ 179,264	\$ 183,491	\$ 187,816	\$ 192,241	\$ 196,767	\$ 201,398	\$ 206,134	\$ 210,980	
BRA Administrative Fee	5%	\$ 196,207	\$ -	\$ 7,791	\$ 7,975	\$ 8,164	\$ 8,357	\$ 8,555	\$ 8,757	\$ 8,963	\$ 9,175	\$ 9,391	\$ 9,612	\$ 9,838	\$ 10,070	\$ 10,307	\$ 10,549	
LBRF Allocation	5%	\$ 196,207	\$ -	\$ 7,791	\$ 7,975	\$ 8,164	\$ 8,357	\$ 8,555	\$ 8,757	\$ 8,963	\$ 9,175	\$ 9,391	\$ 9,612	\$ 9,838	\$ 10,070	\$ 10,307	\$ 10,549	
Local TIR Available for Reimbursement		\$ -	\$ -	\$ 140,238	\$ 143,558	\$ 146,954	\$ 150,428	\$ 153,982	\$ 157,618	\$ 161,337	\$ 165,142	\$ 169,035	\$ 173,017	\$ 177,090	\$ 181,258	\$ 185,521	\$ 189,882	
Total State & Local TIR Available		\$ -	\$ -	\$ 351,097	\$ 359,408	\$ 367,910	\$ 376,608	\$ 385,506	\$ 394,609	\$ 403,921	\$ 413,447	\$ 423,192	\$ 433,161	\$ 443,360	\$ 453,793	\$ 464,466	\$ 475,385	
REIMBURSEMENT	Beginning Balance	\$ 10,009,575																
	% Allocation	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Reimbursement	Phase I	\$ -	\$ -	\$ 351,097	\$ 359,408	\$ 367,910	\$ 376,608	\$ 385,506	\$ 394,609	\$ 403,921	\$ 413,447	\$ 423,192	\$ 433,161	\$ 443,360	\$ 453,793	\$ 464,466	\$ 475,385	
Reimbursement Balance		\$ 10,009,575	\$ 10,009,575	\$ 10,009,575	\$ 9,658,478	\$ 9,299,070	\$ 8,931,160	\$ 8,554,551	\$ 8,169,045	\$ 7,774,436	\$ 7,370,516	\$ 6,957,069	\$ 6,533,877	\$ 6,100,716	\$ 5,657,356	\$ 5,203,562	\$ 4,739,096	\$ 4,263,711
EGLE Environmental Costs		\$ 263,000	\$ -	\$ 9,225	\$ 9,443	\$ 9,667	\$ 9,895	\$ 10,129	\$ 10,368	\$ 10,613	\$ 10,863	\$ 11,119	\$ 11,381	\$ 11,649	\$ 11,923	\$ 12,204	\$ 12,491	
State Tax Reimbursement	2.63%	\$ 162,921	\$ -	\$ 5,540	\$ 5,671	\$ 5,806	\$ 5,943	\$ 6,083	\$ 6,227	\$ 6,374	\$ 6,524	\$ 6,678	\$ 6,835	\$ 6,996	\$ 7,161	\$ 7,329	\$ 7,502	
Local Tax Reimbursement	2.63%	\$ 100,079	\$ -	\$ 3,685	\$ 3,772	\$ 3,861	\$ 3,952	\$ 4,046	\$ 4,141	\$ 4,239	\$ 4,339	\$ 4,441	\$ 4,546	\$ 4,653	\$ 4,763	\$ 4,875	\$ 4,989	
Total EGLE Reimbursement Balance		\$ 263,000	\$ 263,000	\$ 253,775	\$ 244,332	\$ 234,665	\$ 224,769	\$ 214,640	\$ 204,272	\$ 193,659	\$ 182,796	\$ 171,677	\$ 160,295	\$ 148,646	\$ 136,723	\$ 124,519	\$ 112,028	
State EGLE Balance to Be Reimbursed		\$ 162,921	\$ 162,921	\$ 157,381	\$ 151,710	\$ 145,904	\$ 139,961	\$ 133,878	\$ 127,651	\$ 121,277	\$ 114,753	\$ 108,075	\$ 101,240	\$ 94,244	\$ 87,083	\$ 79,754	\$ 72,252	
Local EGLE Balance to Be Reimbursed		\$ 100,079	\$ 100,079	\$ 96,394	\$ 92,622	\$ 88,761	\$ 84,808	\$ 80,762	\$ 76,621	\$ 72,382	\$ 68,043	\$ 63,601	\$ 59,055	\$ 54,402	\$ 49,640	\$ 44,765	\$ 39,776	
MSHDA Housing Development Costs		\$ 9,746,575	\$ -	\$ 341,872	\$ 349,965	\$ 358,244	\$ 366,713	\$ 375,377	\$ 384,240	\$ 393,308	\$ 402,584	\$ 412,073	\$ 421,780	\$ 431,711	\$ 441,870	\$ 452,263	\$ 462,894	
State Tax Reimbursement	97.37%	\$ 6,037,741	\$ -	\$ 205,319	\$ 210,179	\$ 215,151	\$ 220,237	\$ 225,441	\$ 230,764	\$ 236,210	\$ 241,780	\$ 247,479	\$ 253,309	\$ 259,273	\$ 265,375	\$ 271,616	\$ 278,001	
Local Tax Reimbursement	97.37%	\$ 3,708,834	\$ -	\$ 136,553	\$ 139,786	\$ 143,093	\$ 146,475	\$ 149,936	\$ 153,476	\$ 157,098	\$ 160,803	\$ 164,593	\$ 168,471	\$ 172,437	\$ 176,495	\$ 180,646	\$ 184,893	
Total MSHDA Reimbursement Balance		\$ 9,746,575	\$ 9,746,575	\$ 9,404,703	\$ 9,054,738	\$ 8,696,495	\$ 8,329,782	\$ 7,954,405	\$ 7,570,164	\$ 7,176,857	\$ 6,774,273	\$ 6,362,200	\$ 5,940,420	\$ 5,508,709	\$ 5,066,839	\$ 4,614,577	\$ 4,151,682	
State MSHDA Balance to Be Reimbursed		\$ 6,037,741	\$ 6,037,741	\$ 5,832,423	\$ 5,622,244	\$ 5,407,093	\$ 5,186,855	\$ 4,961,414	\$ 4,730,650	\$ 4,494,441	\$ 4,252,661	\$ 4,005,181	\$ 3,751,872	\$ 3,492,599	\$ 3,227,224	\$ 2,955,608	\$ 2,677,606	
Local MSHDA Balance to Be Reimbursed		\$ 3,708,834	\$ 3,708,834	\$ 3,572,280	\$ 3,432,495	\$ 3,289,402	\$ 3,142,927	\$ 2,992,990	\$ 2,839,514	\$ 2,682,416	\$ 2,521,613	\$ 2,357,019	\$ 2,					

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table
Gauthier Redevelopment
Grand Traverse County Brownfield Redevelopment Authority

Table 3 Potential Rent Loss Calculations
GAUTHIER PROJECT
GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

The FY 2024 Grand Traverse County, MI FMRs for All Bedroom

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	\$1,044	\$1,061	\$1,232	\$1,490	\$1,641
<u>FY 2023 FMR</u>	\$750	\$914	\$1,085	\$1,321	\$1,458
<u>FY 2023 FMR</u>	\$845	\$952	\$1,213	\$1,511	\$1,629

a Source : https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2024_code/2024summary.

MSHDA CONTROL RENT AT 100 AMI EST

Establish Control Rent (CR) MSHDA Calculations					
100 % AMI MSHDA			100 % AMI MSHDA		
Studio	\$ 1,575.00			\$ 1,575.00	
1- BR	\$ 1,687.00			\$ 1,687.00	
2- BR	\$ 2,025.00			\$ 2,025.00	
3- BR	\$ 2,337.00			\$ 2,337.00	
4- BR	\$ -			\$ -	

Establish the Potential Rent Loss (PRL) for the Project					
#Units	Square Ft	Mo. Rent avera	AMI	Loss	
Studio	19 405	\$ 1,150.00	75%	\$425.00	
1- BR	18 545	\$ 1,150.00	75%	\$537.00	
1- BR	56 618	\$ 1,375.00	90%	\$312.00	
2- BR	56 864	\$ 1,534.48	75%	\$490.52	
3- BR					
4- BR					
149					

Determine PRL Gap			
Unit Type	loss X 12 mo.	X # of units	# of Yrs for TIF capture
			20
studio	\$5,100	19	\$1,938,000
1-bed	\$6,444	18	\$2,319,840
1-bed	\$3,744	56	\$4,193,280
2-bed	\$5,886	56	\$6,592,548
3-bed	\$0		\$0
Total		149	\$15,043,668

Add all PRL to Gap Cap Calculation to establish THS		
Studio		\$1,938,000
1- bed		\$6,513,120
2-bed		\$6,592,548
3-bed		\$0
Total THS		\$15,043,668

ATTACHMENT A – BROWNFIELD PLAN RESOLUTIONS

**CHARTER TOWNSHIP OF GARFIELD
GRAND TRAVERSE COUNTY, MICHIGAN**

**RESOLUTION 2024 10-T
RESOLUTION OF CONCURRENCE
GAUTHIER REDEVELOPMENT BROWNFIELD PLAN**

WHEREAS, The Michigan Brownfield Redevelopment Financing Act, Act 381, P.A. 1996 as amended, authorizes municipalities to create a brownfield redevelopment authority to promote the revitalization, redevelopment, and reuse of contaminated properties identified as a Part 201 Facility, blighted, functionally obsolete, historically designated, or housing property through tax increment financing of eligible environmental, non-environmental activities, and housing development eligible activities; and

WHEREAS, The Grand Traverse County Board of Commissioners established the Grand Traverse County Brownfield Redevelopment Authority in 1997; and

WHEREAS, The Grand Traverse County Brownfield Redevelopment Authority will review the Brownfield Plan for the redevelopment of the former Gauthier property for attainable / workforce housing at their April 25, 2024 meeting, with anticipated approval of the Brownfield Plan and recommendation of approval by the Grand Traverse County Board of Commissioners and concurrence by the Charter Township of Garfield Board of Trustees; and

WHEREAS, Act 381 requires the concurrence of the local unit of government in which the Brownfield project is located for Brownfield Plans under County Brownfield Redevelopment Authorities, and the former Gauthier property is located in the Charter Township of Garfield; and

WHEREAS, A public hearing will be held by the Grand Traverse County Board of Commissioners on May 15, 2024 and will consider the Gauthier Redevelopment Brownfield Plan at their regular meeting on May 15, 2024; and

NOW THEREFORE BE IT RESOLVED, that pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of 1996, as amended, being MCL 125.2651, *et seq.*, the Charter Township of Garfield Board of Trustees hereby concurs and determines that the Brownfield Plan constitutes a public purpose, with the Gauthier Redevelopment Brownfield Plan in the Charter Township of Garfield.

Moved: Molly Agostinelli

Supported: Chris Barsheff

Ayes: Agostinelli, Barsheff, Macomber, Schmuckal, McManus

Nays: None

Absent and Excused: Steve Duell and Chuck Korn

RESOLUTION 2024-10-T DECLARED ADOPTED

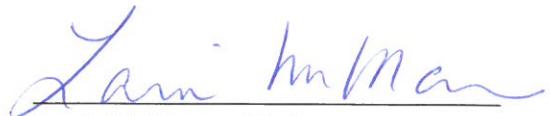
By:


Lanie McManus, Clerk
Charter Township of Garfield

CERTIFICATE

I, Lanie McManus, Clerk of the Charter Township of Garfield, do hereby certify that the above is a true and correct copy of Resolution 2024-10-T which was adopted by the Township Board of the Charter Township of Garfield on the 23rd day of April, 2024.

Dated: 4-24-2024



Lanie McManus, Clerk
Charter Township of Garfield

R E S O L U T I O N

APPROVAL OF A BROWNFIELD PLAN FOR GRAND TRAVERSE COUNTY PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF ACT 381 OF THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED

Gauthier Redevelopment Charter Township of Garfield, Grand Traverse County, Michigan

WHEREAS, The Michigan Brownfield Redevelopment Financing Act, Act 381, P.A. 1996 as amended, authorizes municipalities to create a brownfield redevelopment authority to promote the revitalization, redevelopment, and reuse of contaminated properties identified as a facility, blighted, functionally obsolete, historic resource, or housing property through tax increment financing of eligible environmental and housing development eligible activities; and

WHEREAS, The Grand Traverse County Board of Commissioners established the Grand Traverse County Brownfield Redevelopment Authority in 1997 and appointed its members; and

WHEREAS, a Brownfield Plan has been prepared and submitted for the redevelopment of the former Gauthier property in the Charter Township of Garfield that outlines the qualifications, costs, impacts, and incentives for the project for reimbursement from Brownfield Tax Increment Financing revenues with the adoption of the Brownfield Plan inclusive of state and local property taxes; and

WHEREAS, the Grand Traverse County Brownfield Redevelopment Authority (Authority) met at a regular meeting on April 25, 2024 and reviewed the Brownfield Plan for the former Gauthier Redevelopment in the Charter Township of Garfield, Grand Traverse County, Michigan; and,

WHEREAS, the properties on which the Brownfield Plan is based are located within the Charter Township of Garfield; and,

WHEREAS, Pursuant to Act 381, concurrence will be considered by the Charter Township of Garfield Board of Trustees on April 23, 2024; and

WHEREAS, A public hearing on the Brownfield Plan by the Grand Traverse County Board of Commissioners will be noticed and anticipated to be held on May 15, 2024 and notice to taxing jurisdictions will be provided in compliance with the requirements of Act 381.

WHEREAS, the Brownfield Plan will be considered by the Grand Traverse County Board of Commissioners following the notice and public hearing requirements set forth in Act 381 on May 15, 2024.

NOW, THEREFORE, BE IT RESOLVED, THAT:

The Authority recommends approval of the Brownfield Plan, subject to approval as to substance by the GTCBRA Director and as to form by GTCBRA Counsel, based on the following conclusions:

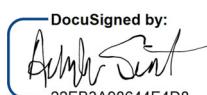
1. The Brownfield Plan constitutes a public purpose and will facilitate investment and redevelopment of the properties described in the Brownfield Plan by:
 - a. Providing attainable / workforce housing
 - b. Increasing tax base
 - c. Redeveloping a contaminated underutilized property
2. The Brownfield Plan is consistent with the requirements of Section 14(1) of Act 381 (MCL 125.2664), in particular:
 - a. The Brownfield Plan provides all the information required in Section 13 of Act 381 (MCL.2663).
 - b. Eligible Activity costs will be reimbursed to the eligible parties identified in the Development and Reimbursement Agreement through the capture of tax increment revenue.
 - c. The costs of Eligible Activities proposed are reasonable and necessary to carry out the purposes of Act 381.
3. This Brownfield Plan also contemplates the capture of tax increment revenue derived from “taxes levied for school operating purposes” (as defined by Section 2(ggg) of Act 381 and hereinafter referred to as “School Taxes”), the Developer acknowledges and agrees that GTCBRA’s obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the Michigan State Housing Development Authority (“MSHDA”) and EGLE as may be required pursuant to Act 381, within 270 days after the date this Plan is approved by the governing body (or such other date as the GTCBRA may agree to in writing); or (ii) the Developer providing the GTCBRA with evidence, satisfactory to GTCBRA, that the Developer has the financial means to complete the Project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

AYES: Scott, Peck, Sieffert, O'Brien , Streit, and Shaw

NAYES: None

ABSENT AND EXCUSED: Radtke

RESOLUTION DECLARED _____ on this 25th day of April, 2024.

DocuSigned by:

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Amanda Scott, Chairperson

R E S O L U T I O N

XX-2022

Gauthier Redevelopment Brownfield Plan

WHEREAS, The Michigan Brownfield Redevelopment Financing Act, Act 381, P.A. 1996 as amended, authorizes municipalities to create a brownfield redevelopment authority to promote the revitalization, redevelopment, and reuse of sites identified as a facility, blighted, functionally obsolete, historically designated, or housing property through tax increment financing of certain eligible activities; and

WHEREAS, The Grand Traverse County Board of Commissioners established the Grand Traverse County Brownfield Redevelopment Authority in 1997; and

WHEREAS, The Grand Traverse County Brownfield Redevelopment Authority has reviewed the Brownfield Plan for the Gauthier Redevelopment Project at their April 25, 2024 meeting and recommends approval by the Grand Traverse County Board of Commissioners and concurrence by Charter Township of Garfield Board of Trustees; and

WHEREAS, The Charter Township of Garfield Board of Trustees reviewed the Brownfield Plan at their April 23, 2024 meeting and concurs with the Brownfield Plan, as required by Act 381; and

WHEREAS, The Grand Traverse County Board of Commissioners has determined that the Brownfield Plan constitutes a public purpose of providing attainable / workforce housing, redevelopment of a contaminated underutilized property, increased private investment and economic development and increased property tax value; and

WHEREAS, A public hearing on the Brownfield Plan has been noticed and held on May 15, 2024 and notice to taxing jurisdictions has been provided in compliance with the requirements of Act 381;

NOW, THEREFORE, BE IT RESOLVED BY THIS BOARD OF COMMISSIONERS, THAT WHEREAS, The Grand Traverse County Board of Commissioners has reviewed the Brownfield Plan and finds, in accordance with the requirements of Section 14 of Act 381 that:

- (a) The Brownfield Plan meets the requirements of Section 13 of Act 381, Brownfield Plan Provisions as described in the Brownfield Plan, consistent with format recommended by the State of Michigan, including a description of the costs intended to be paid with tax increment revenues, a brief summary of eligible activities, estimate of captured taxable value and tax increment revenues, method of financing, maximum amount of indebtedness, beginning date and duration of capture, estimate of impact on taxing jurisdictions, legal description of eligible property, estimates of persons residing on the eligible property if applicable, and a plan and provisions for relocation of residents, if applicable.;
- (b) The proposed method of financing the costs of eligible activities, private financing arranged by the private developers is feasible and the Brownfield Authority will not arrange financing, as described on Page 11 of the Brownfield Plan.
- (c) The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381, including asbestos abatement and demolition that is necessary to clear the site, site preparation activities to provide for project construction, and infrastructure to manage stormwater from impervious surfaces, including buildings and parking, and the cost estimates are based on evaluation from certified

professionals, experience in comparable projects, and preliminary discussions with reputable companies, as described on Pages 5 - 9 of the Brownfield Plan; and

(d) The amount of captured taxable value estimated from the adoption of the Brownfield Plan is reasonable, as calculated in Table 2 of the Brownfield Plan, based on calculations of the tax revenues derived from taxable value increases and millage rates approved and authorized by the taxing jurisdictions on an annualized basis and balances against the outstanding eligible activity obligation approved as part of the Brownfield Plan and expenses reviewed and approved by the Grand Traverse County Brownfield Redevelopment Authority; and

BE IT FURTHER RESOLVED, that pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of 1996, as amended, being MCL 125.2651, *et seq.*, the Grand Traverse County Board of Commissioners hereby approves the Brownfield Plan for the Gauthier Redevelopment Project in the Charter Township of Garfield.

APPROVED: