Community Brownfield Redevelopment Forum

October 24, 2007
City of Benton Harbor
What Is DCC?

- It is a governmental agency made up of 20 member communities: Allen Park, Brownstown Township, Dearborn, Dearborn Heights, Ecorse, Flat Rock, Gibraltar, Grosse Ile, Huron Township, Lincoln Park, Melvindale, River Rouge, Riverview, Romulus, Rockwood, Southgate, Taylor, Trenton, Woodhaven, Wyandotte.
- It is a non-profit 501 C3
- The board of directors is all the elected mayors and township supervisors. It’s mission statement says: The Downriver Community Conference (DCC) Partnership provides leadership in establishing common, positive goals and strategies to develop the human, social and economic assets of the Downriver area; enhances the quality of life for the area residents, workers and businesses; shape public policy at federal, state, regional, county, and local levels; and identifies, obtains and responsibly manages the necessary financial resources to successfully implement this vision.
Why DCC?

- 1976 the Downriver region had over 18% unemployment
- Between 1979 and 1982 the region lost over 62% of its industrial base. BASF and DANA were struggling.
- The communities had created the Downriver Mutual Aid (DMA) to share police and fire services. This group met on a regular basis. They saw the problems that the unemployment created. They felt there had to be something that could be done.
- They formed a committee to go Washington, DC and there met with the Comprehensive Employment Training Administration (CETA)
- The committee shared the plight facing the region. The DMA was asked to write a proposal for a grant.
- They received $1.2 million to assist dislocated workers to find re-employment. This was the first national demonstration project awarded.
- This was the beginning of DCC – A desk, chair and phone in the basement of Wyandotte’s City Hall.
- The response to the program was overwhelming and quickly outgrew Wyandotte’s basement and moved to an empty convent.
- In 1984 the DCC found its current home in a closed high school in Southgate because of declining enrollment.
- Today DCC is a One Stop for Michigan Works, a Small Business Development Center, and provides Economic Development for the region as well as Weatherization programs for low-income residents.
1997 Congressman John D. Dingell introduced legislation to revitalize industrial sites across the United States that are environmentally polluted and economically devastated.

Congressman Dingell encouraged the DCC communities to create a demonstration project that would address this problem.

Four of the DCC communities and County of Monroe identified 825 acres of brownfield sites and applied for a $200,000 demonstration grant to find ways to redevelop some of these sites.

Idea was to create process to market a selected brownfield to a developer, who would purchase the site and construct a facility.

The grant would be used to assemble a team of public officials and experts from the public and private sectors to develop a marketing strategy for each site selected for the pilot.

The DABC was created as a sub-entity of the DCC. It also included all of Monroe County.

The DCC was the grant recipient and a resolution was passed to allow the DABC to administer the grant funds and enter into loan agreements.

The DABC today has 12 communities.
Goals

Three goals have been established to measure success of this proposal:

1. Demonstrate that perceived development problems regarding the environment status of brownfields are politically and economically surmountable, and hence need not be considered as a determining factor in project site selection.

2. Establish a program mechanism for small communities to benefit through collaboration with other communities in order to reduce the cost of common actions necessary for successful brownfield redevelopment.

3. Provide a replicable national model for training economic developers, community officials and those working in the real estate and institutional finance sectors on the redevelopment of brownfields.
Objectives

The following objectives have been identified and established as steps for which to measure success in attaining the project goals:

Model Development

1. Establish a decision-making entity (DABC Committee) and operating procedures within the Downriver Community Conference (DCC) organization structure.
2. Organize Downriver pilot communities and introduce/educate them on the established DABC Brownfield Redevelopment Model.
3. Solicit proposals from individuals or groups having the necessary expertise to undertake Response Team activities under the identified work plan.
4. Review and select those optimal Response Team proposals, and engage in development of Model procedures and products. Review and establish criteria for pilot community procedures and products.
5. Approve the Brownfield Redevelopment Model Program as constructed and begin work activity with pilot communities.
Model Demonstration

The program discussed above shall be demonstrated through application on selected sites provided by those pilot communities who made application to EPA. Success of the project will be attained upon meeting the following:

- Successful completion of the Model Program, or at least demonstrated progress, with respect to each demonstration site; and conversion of the DABC Brownfield Redevelopment Model into a generic consultation program available for replication to other municipalities.

- Training and provision of usable information will reduce misconceptions and prejudices which hinder development of brownfield sites as well as place such areas in a position of being more inviting to industrial and economic developers, as the latter are aggressively recruited by competing communities seeking development in greenfield areas. In addition, development and successful implementation of this model program shall show both the need and benefit from collaboration among small communities.
Response Team

A portion of the grant funding shall be used to finance the creation and operation of a “Response Team” to serve as technical staff to the DABC. The team shall facilitate work activities for redeveloping and candidate brownfield sites using the DABC Brownfield Redevelopment Model. Proposals are being sought from qualified forms to perform one or more of the following four disciplines identified and further described below as comprising the Response Team.

**Engineering:** A licensed individual or group possessing sufficient knowledge of environmental assessment, remedial work planning, and other environmental engineering concepts, and demonstrating experience in brownfield redevelopment and successful performance of the above actions on past projects.
Legal: A licensed individual or group possessing sufficient knowledge of real estate law, the federal CERCLA statute, the Michigan Environmental Code, and the Michigan Brownfield Redevelopment and Tax Credit statutes, and demonstrating experience and successful performance in counseling clients and executing ownership and /or property transactions under relevant statues.

Finance: A licensed individual or group possessing sufficient knowledge of real estate finance, property appraisals, land use fiscal impact and cost-revenue economic analyses, and brownfield redevelopment issues, and demonstrating experience in performing property economic analyses and constructing real estate transactions.

Marketing: A licensed individual or group possessing sufficient knowledge in real estate marketing to broad or targeted audiences, developing marketing packages and plans, facilitating client response activities, and brownfield redevelopment, and demonstrating experience in executing marketing programs and plans, preferably for brownfield properties.
Oversight of this project shall be vested in a DABC Board, representing a subordinate committee relationship to the Downriver Community Conference (DCC) Board of Directors. The initial composition of the DABC Board shall be representatives from each of the twelve local units who contributed to the development of the grant application:

- City of Dearborn
- City of Gibraltar
- City of Melvindale
- City of Riverview
- City of Taylor
- City of Wyandotte
- City of Ecorse
- City of Monroe
- City of Romulus
- City of Trenton
- Port of Monroe
- Township of Grosse Ile

During the grant demonstration phase (up to 24 months), candidate sites for work program activity under the DABC project shall be selected from these pilot communities. Upon completion and evaluation of the demonstration phase, an expansion of the program should begin where non-pilot DCC communities may submit additional candidate sites for redevelopment assistance. DCC shall serve as staff to the DABC project and work program activities.
DABC Brownfield Redevelopment Model

Stage 1  Site Identification

Step 1  Technical Assistance and Consultation
  Task 1 – Conduct Training Seminars
  Task 2 – Establish On-Call Consulting

Step 2  Research and Selection
  Task 1 – Conduct Site Research
  Task 2 – Sponsor Community & Group Forums
  Task 3 – Execute Site Selection and Submittal
  Task 4 – Select to Participate by DABC
DABC Brownfield Redevelopment Model

Stage 2  Site Investigation and Evaluation

Step 1  Baseline Environmental Assessment
- Task 1 – Conduct Phase I & Investigations
- Task 2 – Prepare Remedial Investigation Work Plan
- Task 3 – Conduct Remedial Investigation
- Task 4 – Secure BEA regulatory approval
- Task 5 – Submit Data & Results to DABC for review

Step 2  Investment Feasibility Assessment
- Task 1 – Compile existing information
- Task 2 – Develop land use scenarios & related costs
- Task 3 – Develop investment scenarios & related benefits
- Task 4 – Conduct cost/revenue and cost/benefit analysis
- Task 5 – Synthesize data and develop recommendations

Step 3  Assessment Review and Action
- Task 1 – Review BEA and investment feasibility analyses
- Task 2 – Commit to specific site planning and remediation
DABC Brownfield Redevelopment Model

Stage 3  Site Planning and Remediation

Step 1  Remediation Feasibility Assessment
   Task 1 – Prepare remedial action analysis work plan
   Task 2 – Conduct remediation action analysis
   Task 3 – Synthesize data and develop

Recommendations

Step 2  Community Education
   Task 1 – Prepare information for dissemination
   Task 2 – Sponsor interest group meetings
   Task 3 – Sponsor public meetings and forums
   Task 4 – Sponsor regulatory group meetings
Step 3  Ownership Flow/Transfer plan
Task 1 – Secure property owner commitment
Task 2 – Develop a plan
Task 3 – Execute transfer (if required)

Step 4  Remedial Action Execution
Task 1 – Secure local municipal support
Task 2 – Identify and establish financing mechanism(s)
Task 3 – Execute remediation program actions
Task 4 – Conduct monitoring and follow-up activity
DABC Brownfield Redevelopment Model

Stage 4  Site Marketing and Development

Step 1  Information Package Design
- Task 1 – Assemble relevant information
- Task 2 – Design information presentation and format
- Task 3 – Conduct unit development and production

Step 2  Marketing Plan Design
- Task 1 – Identify target audiences
- Task 2 – Develop an outreach plan
- Task 3 – Establish specific organization roles

Step 3  Marketing Plan Action Execution
- Task 1 – Execute marketing actions
- Task 2 – Conduct monitoring and follow-up activity

Step 4  Technical Assistance and Consultation
- Task 1 – Conduct Educational Seminars
- Task 2 – Establish on-call consulting

Step 5  Development Support and Follow Up
- Task 1 – Conduct support and follow-up activity
Site Selection Form

- Municipality:
- Parcel Name/Number:
- Address Location:
- DABC Redevelopment Stage:
- Owner Use/Status:
- Past Ownership:
- Property Acreage:
- Market Interest Value:
- Site Condition:
- Zoning/Surrounding Uses:
- Current Use:
- Historic/Future Use:
- Community Interest:
- Assessment Information:
- Local Unit Inspection:
- Part 201 Facility Status:
- Known PRP's:
- Remediation Information:
- Past Environment Actions:
- Estimated Tax Benefits
- Attachments:
- Rev. 8/06
Why Does the DABC Work?

- Very knowledgeable people are involved
- Site selection criteria is based on need and the merit of the project
- Regional thinking – projects that will support growth and economic development to the downriver area
- Good program management
- No elected officials on the board – only community representatives
Accomplishments

- 90 sites have been processed through the program
- Over 1500 jobs have been created/retained
- 25 of these sites are redeveloped and are back on the tax records
- This program has leveraged over $40 million of investment to the region from less than $1.5 million in EPA Brownfield grants.
City of Taylor
Brownfield Projects
Brownfield Plan 1
KROGER

- Marx Manufacturing
- 7.9 acre Industrial site
- Initial Taxable Value $0

- Grocery Store
- $200,000 Site Reclamation Grant
- $12,500,000 Investment
- $6,945,000 New Taxable Value
- $418,665 Brownfield Financing
Brownfield Plan 2
Consolidated Lumber

- Former Lumber Yard
- 30 acre site
- Initial Taxable Value
  $662,900

- Trolley North Industrial Park
- $969,958 Site Reclamation Grant
- $8,000,000 Estimated Investment
- $4,000,000 New Taxable Value
- Demolition Completed 2002
Brownfield Plan 3
Wal Mart

- Former Truck Terminal
- 28 acre site
- Initial Taxable Value $876,000

- Retail Center
- $342,000 Site Reclamation Grant
- $12,000,000 Investment
- $6,000,000 New Taxable Value
- $660,000 Brownfield Financing
Brownfield Plan 4
Midtown Brownstones

- Farmer Jack/Dry Cleaner/Gas Station
- 6 acre site
- Initial Taxable Value $720,029
- Brownstone Condominiums
- $12,600,000 Investment
- $6,300,000 New Taxable Value
- $1,682,650 Brownfield Financing
Brownfield Plan 5
Quality Inn and Suites

- Skyline Inn Truck Lodge
- 1.79 acre site
- Initial Taxable Value $300,000
- $3,600,000 Investment
- $1,500,000 New Taxable Value
- $16,000 Brownfield Financing
Brownfield Plan 6

Park View Condos

- Blighted Structure
- 3.84 acre site
- Initial Taxable Value $99,432
- $9,400,000 Investment
- $4,700,000 New Taxable Value
- $1,059,500 Brownfield Financing
Brownfield Plan 7

Midtown Plaza

- Former Gas Station site
- 1 acre site
- Initial Taxable Value $177,703

- $550,000 Investment
- $328,200 New Taxable Value
- $42,250 Brownfield Financing