

S T A T E O F M I C H I G A N

BOARD OF COMMISSIONERS OF THE COUNTY OF ALLEGAN

**BOARD OF COMMISSIONERS—ADOPT BROWNFIELD PLAN**

**WHEREAS**, the Brownfield Redevelopment Authority (the "Authority") of the County of Allegan, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), has prepared and recommended for approval by the Allegan County Board of Commissioners, a Brownfield Plan (the "Plan") pursuant to and in accordance with Section 13 of the Act; and

**WHEREAS**, the Authority has, at least ten (10) days before the meeting of the Board of Commissioners at which this resolution has been considered, provided notice to and fully informed all taxing jurisdictions (the "Taxing Jurisdictions") which are affected by the Financing Plan about the fiscal and economic implications of the proposed Financing Plan, and the Board of Commissioners has previously provided to the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Financing Plan in accordance with Sections 14(4) and (5) of the Act; and

**WHEREAS**, the Board of Commissioners has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- C. The proposed method of financing the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing;
- D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable; and

**WHEREAS**, as a result of its review of the Plan and upon consideration of the views and recommendations of the Taxing Jurisdictions, the Board of Commissioners wishes to approve the Plan.

**THEREFORE, BE IT RESOLVED THAT:**

1. **Plan Approved.** Pursuant to the authority vested in the Board of Commissioners by the Act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Plan is hereby approved in the form attached as Exhibit "A" to this Resolution.

2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part declared to be invalid.
3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Moved by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_ to approve the resolution as presented.  
Motion carried by roll call vote.

Yeas:

Nays:

(STATE OF MICHIGAN)

) ss

(COUNTY OF ALLEGAN)

I, Bob Genetski, Clerk of the Allegan County Board of Commissioners and Clerk of the County of Allegan, do hereby Certify that the above Resolution was duly adopted by said Board on January XX, 2021. The original of which resolution is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 267 of the Michigan Public Acts of 1976, including the case of a special or rescheduled meeting, notice by posting at least 18 hours prior to the time set for said meeting.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said County and Court in Allegan, Michigan, this XX day of January, 2021.

---

Bob Genetski, Clerk-Register

S T A T E O F M I C H I G A N

BOARD OF COMMISSIONERS OF THE COUNTY OF ALLEGAN

**BROWNFIELD PLAN (ROCK TENN)—SET PUBLIC HEARING**

**BE IT RESOLVED** the Board of Commissioners has set a public hearing at 1:00 P.M. at the Board Meeting on February 11, 2021, for review of the Brownfield Plan for 431 Helen, Otsego, Michigan Property; and

**BE IT FURTHER RESOLVED** that County Administration will publish the appropriate notice in the local newspaper.

DRAFT



ALLEGAN COUNTY  
REQUEST FOR ACTION FORM

Completed RFA form must be attached to a work order request through the Track-It System. If you have any questions regarding this process, please contact Administration @ ext. 2633.

RFA#: 198-313  
Date: 1/14/2020

Request Type Routine Items Select a Request Type to reveal and complete required form.  
Department Requesting Administration  
Submitted By Dan Wedge Executive Director of Services  
Contact Information ex 2902

Description

Seeking Board of Commissioner approval on a Brownfield plan for the redevelopment of the former Rock Tenn property. This plan if approved will provide the mechanism to capture future tax growth for reimbursement of the clean-up, demolition and development cost. The primary purpose of this Brownfield Plan is to promote the redevelopment of and private investment in the former RockTenn Papermill site within the City, Allegan County. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as "brownfields." By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Allegan County Brownfield Redevelopment Authority.

The project schedule is to have the environmental contractor present to the Board on January 28, 2021, and then Board approval at a subsequent meeting when appropriate.

To allow extra review time for Commissioners, the materials below sent in advance:

1. Proposed Brownfield Plan
2. Assumptions and Questions to date
3. Draft Public Notice, Board Resolution and Notice to Taxing Jurisdiction
4. MEDC Brownfield Fact Sheet

Necessary Steps:

1. Set Public Hearing (Seeking February 11, 2021)
2. Send notice to State and Taxing Jurisdiction (10 days prior to the a required public hearing Feb 1, 2021)
  - a. Michigan Department of Environment, Great Lakes, and Energy (EGLE)
  - b. Michigan Economic Development Corporation (MEDC/MSF)
  - c. Allegan County Clerk
  - d. Otsego Public Schools
  - e. Allegan Area Educational Services Agency
  - f. Otsego Public Library
  - g. City of Otsego
3. Board approves Brownfield Plan
4. After the Brownfield Plan is approved, the County Brownfield Redevelopment Authority should approve a Reimbursement Agreement for payback to County from the future TIF collection (Tax Revenue). The environmental contractor will draft this document for County legal review. It is not required as part of the Plan, but is recommended to be done soon after so not to get lost in the future. Again, not part of the Plan document, but a step prior to tax collection.

ALLEGAN COUNTY BROWNFIELD  
REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE  
FORMER ROCKTENN PAPERMILL  
REDEVELOPMENT PROJECT

Prepared by:

Allegan County  
Address: 3283 122<sup>nd</sup> Ave.  
Allegan, MI 49010  
Contact Person: Dan Wedge  
Phone: 269-686-4529

Approved by ACBRA: December 8, 2020  
Approved by the City of Otsego: December 21, 2020  
Approved by the ACBOC: \_\_\_\_\_

Environmental Consulting & Technology, Inc.  
2200 Commonwealth Boulevard, Suite 300  
Ann Arbor, MI 48105  
Contact Person: John D'Addona  
Phone: 734-769-3004

November 30, 2020

ALLEGAN COUNTY  
**BROWNFIELD REDEVELOPMENT AUTHORITY**  
**BROWNFIELD PLAN**  
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## **I. INTRODUCTION**

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Act 381, P.A. 1996, as amended, was enacted to promote the revitalization, redevelopment and reuse of contaminated, tax-reverted, blighted, functionally obsolete or historically designated property through incentives adopted as part of a Brownfield Plan. The Brownfield Plan outlines the qualifications, costs impacts, and incentives for the project.

In order to promote the revitalization of these properties within the boundaries of Allegan County, Michigan (the “County”), the County has established the Allegan County Brownfield Redevelopment Authority (the “ACBRA”) pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”).

The Brownfield Plan and subsequent amendments must be approved by the ACBRA and the Allegan County Board of Commissioners, with the concurrence of the local government in which the property is located in order to take effect, in this case, the City of Otsego (City).

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in the former RockTenn Papermill site within the City, Allegan County. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “brownfields.” By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the ACBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan is intended to be a “base” Plan which lays out a path for eligible activities to be undertaken by the County and future developer(s) for the completion of a mixed-use development and contains information required by Section 13(2) of Act 381.

## II. GENERAL PROVISIONS

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### **A. Description of the Eligible Property (Section 13 (2)(h)) and the Project**

The property comprising the eligible property consists of 4 parcel(s) located at 431 Helen Avenue, Otsego, Michigan which were obtained by the County through tax foreclosure in 2012. Parcels 1 and 2 are both “facilities. Parcel 3 and Parcel 4 are blighted by virtue of tax foreclosure. Therefore Parcels 1-4 are eligible properties. Parcels 1-4 and all tangible personal property located thereon will comprise the eligible property and is referred to herein as the “Property.”

Attachment A includes a site map of the Property. The Property is located just north of the City’s downtown on the north side of the Kalamazoo River. Parcels 1, 2 and 4 are bounded by River Street to the north, the Kalamazoo River to the south, John Street to the east and a residential property to the west. Parcel 3 is bounded by River Street to the south and residential properties north, east and west of the parcel (see **Figure 1**).

**Attachment B** provides the individual legal descriptions for the eligible property.

Address	Parcel ID	Eligibility	Owner
431 Helen	Parcel 1: 54-015-006-00	Facility	Allegan County
431 Helen	Parcel 2: 54-015-006-00	Facility	Allegan County
431 Helen	Parcel 3: 54-015-006-00	Blighted	Allegan County
431 Helen	Parcel 4: 54-800-001-00	Blighted	Allegan County

The former RockTenn property consist of 4 parcels totaling approximately 47 acres. Parcels 1 and 2 contain a majority of the derelict buildings and also a capped waste disposal area which restricts the future use of disposal area. Parcel 3 was primarily used as a “borrow pit” as a source of sand for use in the waste disposal area where it was mixed with paper mill sludge and capped with clay. Some landfilling of polywaste may have also occurred on Parcel 3. Parcel 4 was primarily used for parking for the administrative staff at the papermill.

In keeping with the economic and development goals of the City and the desire by the County to eliminate safety concerns in the derelict buildings a Brownfield Plan has been prepared that consists of 2 parts. The first part is for the County to eliminate the safety concerns by demolishing the buildings and eliminating other hurdles to development such as soil contamination caused by the papermill operations. This will also eliminate a majority of the development hurdles that have kept interested developers on the sideline. The second part is to attract one or more developers to a site that is redevelopment ready. Once the buildings, including foundations and basements, are removed it is expected that there will be significantly more interest in redeveloping the property.

The County and the City are interested in a mixed-use development for the Property. This could include, but not limited to residential, commercial or light industrial uses. Once the buildings are demolished and the Property cleaned up, the City and County will be working together to attract developers that match the economic goals outline in the City’s master plan and to meet the MEDC’s Redevelopment Ready goals.



It is currently anticipated demolition and environmental due care activities will begin in the spring of 2021 and eligible activities will be completed within 6 months. It is expected that development and construction of the site will be completed within 5 years. Following demolition of the existing buildings, it is expected that mixed-use development will occur on the site. There is no project proposed for development at the time of this base Plan. The actual development may build on this Plan and may necessitate an amendment to this Plan. All material changes, as determined by ACBRA in its sole discretion the project description is subject to the approval of the ACBRA staff and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the project to be completed at the Property (the “Project”).

### **B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (o))**

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for an industrial purpose; (b) the Property is determined to be a “facility”, as defined by Part 201, the Natural Resources Protection Act, and “blighted” as it is tax reverted property owned by a county”; and (c) it is a “qualified property” as a papermill in a community of less than 10,000 people on the Kalamazoo River, which allows for the addition of eligible activities to include site preparation and infrastructure improvements.

Parcels 1 and 2 were determined to be “facilities” based on the soil and groundwater testing completed as part of a Phase II investigation in 2012 (see Phase II ESA Report, City of Otsego, Allegan County, Michigan). A number of analyses at locations on these parcels indicate contamination at concentrations that are above Part 201 Generic Residential Cleanup Criteria (GRCC) in the soil. Additionally, a waste disposal storage facility, that is restricted from allowing future development, and is located at the west end of these parcels.

Parcels 3 and 4 were determined to be “blighted” based on the fact that they are tax reverted property owned by a county.

### **C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))**

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, because of Department Specific Activities that include: Baseline Environmental Assessment activities, due care activities, environmental response activities, demolition and lead and asbestos abatement, development and preparation of Brownfield Plans and/or work plan(s), infrastructure improvements, and site preparation activities.

ESTIMATED COSTS OF ELIGIBLE ACTIVITIES - ROCKTENN				
Local Only - Department Specific Eligible Activities (County)	# of Units	Unit Type	Cost/Unit	Estimated Total Cost
Total Local Only Department Specific Eligible Activities (includes Environmental Cleanup and Demolition of Buildings and Site)				\$ 1,644,000
<b>State and Local Department Specific Activities (Developer)</b>				
Baseline Environmental Assessment Activities (Phase I ESA, Phase II ESA, BEAs)				\$ 100,000
Total BEA Activities				\$ 115,000
Due Care Activities				
Total - Due Care Activities				\$ 1,282,250
Response Activities				
Total - Response Activities				\$ 230,000
Total - EGLE DEPARTMENT SPECIFIC - COUNTY AND DEVELOPER				\$ 3,156,250
<b>MSF Non-Environmental Eligible Activities - Developer or County</b>				
Demolition				
Total - Demolition -Parcel 3				\$ 100,000
Lead & Asbestos Abatement				
Total - Lead & Asbestos Abatement				\$ 10,000
Site Preparation				
Total - Site Preparation				\$ 1,500,000
Infrastructure Improvements				
Total - Infrastructure Improvements				\$ 2,875,000
15% Contingency on MSF Non-Environmental Eligible Activities				\$ 672,750
<b>TOTAL MSF NON-ENVIRONMENTAL ACTIVITIES -COUNTY AND DEVELOPER</b>				<b>\$ 5,157,750</b>
Brownfield Plan & Act 381 Work Plan Preparation				
Brownfield Plan and Brownfield Plan Amendments	3	LS	\$ 10,000	\$ 30,000
Act 381 Work Plan(s)	2	LS	\$ 20,000	\$ 40,000
Total - BP & Act 381 WP Preparation				\$ 70,000
<b>TOTAL EGLE DEPARTMENT SPECIFIC ACTIVITIES</b>				<b>\$ 3,186,250</b>
<b>TOTAL MSF NON-ENVIRONMENTAL ACTIVITIES</b>				<b>\$ 5,197,750</b>
INTEREST (simple 5% non-compounding)				\$ -
<b>Total Estimated Eligible Activities</b>				<b>\$ 8,384,000</b>

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in the table attached hereto as Attachment D. The eligible activities described in Attachment D are not exhaustive. Subject to the approval of the ACBRA in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the performance of such eligible activities does not exceed the total costs stated in Attachment D.

The costs listed in Attachment D are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the ACBRA from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment or reimbursement, provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment D. As long as the total costs are not exceeded, line-item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved EGLE or MSF work plan.

**D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section 13(2)(f)); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))**

This Plan anticipates the capture of tax increment revenues to reimburse the County and the Developer(s) for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. A table of estimated tax increment revenues to be captured is attached to this Plan as Attachment E.

Tax increments are projected to be captured and applied to (i) reimbursement of eligible activity costs and payment of ACBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund, and (iii) make deposits into the ACBRA’s Local Brownfield Revolving Fund, as follows:

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	44.47%	\$ 3,728,640		\$ 3,728,640
Local	55.53%	\$ 4,655,360		\$ 4,655,360
<b>TOTAL</b>				
EGLE	38%	\$ 3,186,250	\$ 1,644,000	\$ 3,186,250
MSF	62%	\$ 5,197,750		\$ 5,197,750

			Estimated Capture	\$ 8,384,000
			Administrative Fees	\$ 317,753
			State Brownfield Redevelopment Fund	\$ 697,359
			Local Brownfield Revolving Fund	\$ 2,524,674
			<b>Debt Millage Capture</b>	<b>\$ 2,116,391</b>

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body’s resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (3) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body’s resolution approving this Plan.

**E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))**

The eligible activities are to be financed by the County and future Developer(s). The ACBRA will reimburse the County and future Developer(s) for the cost of approved eligible activities, but only from tax increment revenues generated from the Property.

All eligible activities completed by the County are to be reimbursed with local only property tax revenues. All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreements between the County and the ACBRA and the Developer(s) and the ACBRA. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the ACBRA to fund such reimbursements

and does not obligate the ACBRA or the County to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by future Developer(s), the ACBRA, and the State of Michigan, the ACBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

Interest shall not be paid under this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of Eligible Activities permitted under this Plan.

**F. Duration of Plan (Section 13(2)(f))**

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues for each eligible property shall occur in accordance with the TIF table described in Exhibit E. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.

b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to future Developer(s) at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer(s) with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

**G. Effective Date of Inclusion in Brownfield Plan**

The Property will become a part of this Plan on the date this Plan is approved by the governing body.

**H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))**

There are no persons or businesses residing on the eligible property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

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

The ACBRA 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 Plan and any other plan of the ACBRA. It 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 estimated at \$2,597,527. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

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

The ACBRA shall pay to the Department of Treasury at least once annually an amount equal to 3 mills 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 ACBRA pays an amount equal to 3 mills 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 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 Plan if the 3 mills 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. This shall occur once an Act 381 Work Plan has been submitted and the Plan is capturing state school taxes.

**K. Developer’s Obligations, Representations and Warrants**

Future Developer(s) and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the County or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Developer(s), at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer(s) represents and warrants that a Phase I Environmental Site Assessment (“ESA”), and if appropriate, a Phase II ESA, Baseline Environmental Assessment, and Response Activity Plan/Documentation of Due Care Compliance, pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), has/have been performed on the Property (“Environmental Documents”).

The Developer further represents and warrants that the Project does not and will not include a State of Michigan Land Bank financing component.

Except as otherwise agreed to by the ACBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer’s reasonable opportunity to cure as described in the Reimbursement Agreement.

### **III. ATTACHMENTS**

**ATTACHMENT A**  
**Site Map (Boundary Survey)**





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REVISIONS:	

SUMMIT SURVEYING, INC.  
 P. O. Box 410  
 Allendale, MI 49401  
 Phone (616) 895-7190



Rock TENN  
 Boundary Survey  
 Oscego, Michigan

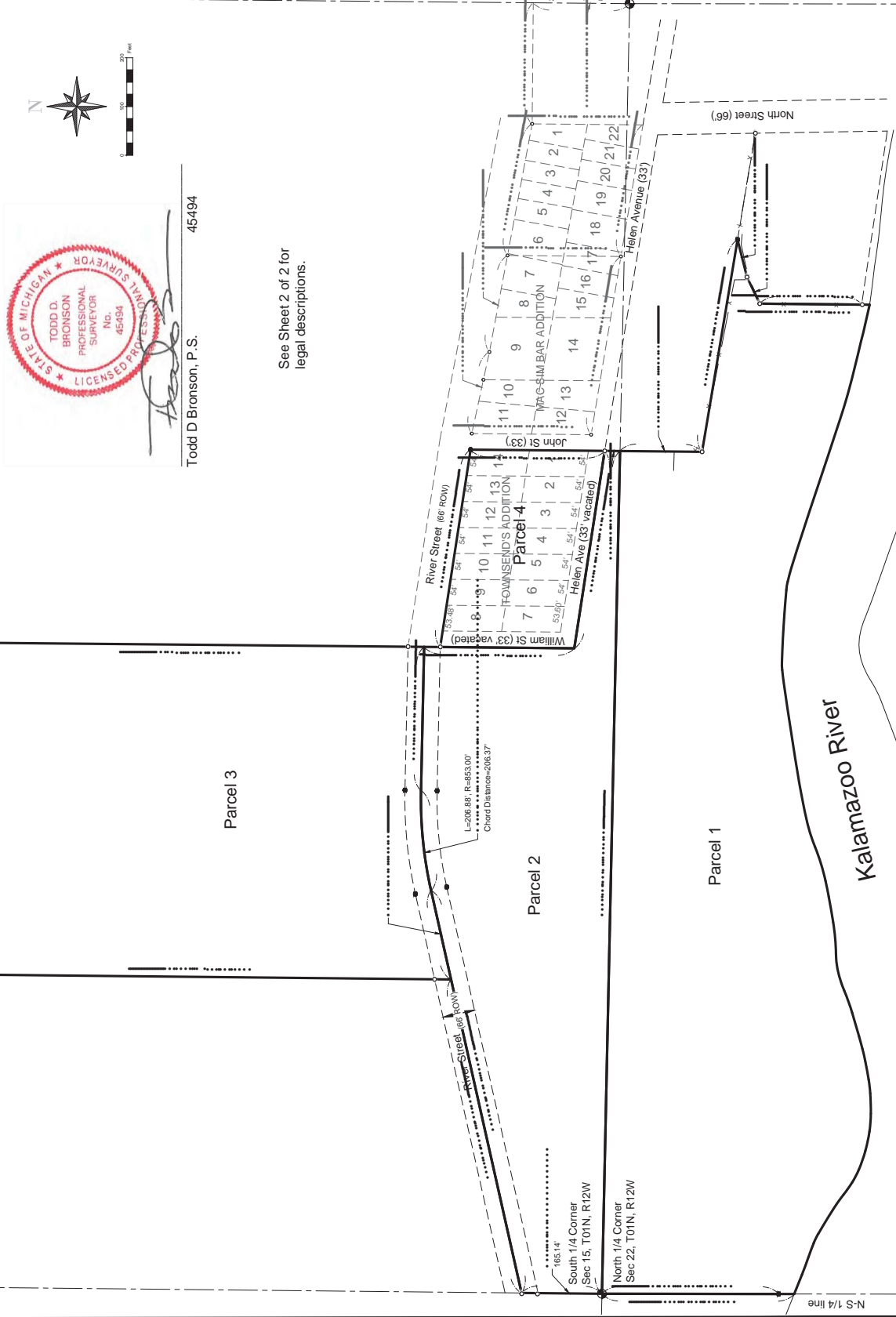
DRAWN BY: Todd Bronson  
 DATE: November 13, 2017  
 JOB NUMBER: 241703  
 SCALE: 1"=200'  
 SHEET 3 of 4

**ATTACHMENT B**

**Legal Descriptions of Eligible Property to which the Plan Applies from Survey**



North line City of Osago (North line, South 1/2, Southeast 1/4, Section 15)



Todd D Bronson, P.S. 45494

See Sheet 2 of 2 for legal descriptions.

REVISIONS:


SUMMIT SURVEYING, INC.  
P.O. Box 410  
Allendale, MI 49401  
Phone (616) 895-7190



Rock TENN  
Boundary Survey  
Osago, Michigan

DRAWN BY: Todd Bronson
DATE: November 13, 2017
JOB NUMBER: 2341703
SCALE: 1"=200'
SHEET 1 of 4







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REVISIONS:	

SUMMIT SURVEYING, INC.  
 P. O. Box 410  
 Allendale, MI 49401  
 Phone (616) 895-7190



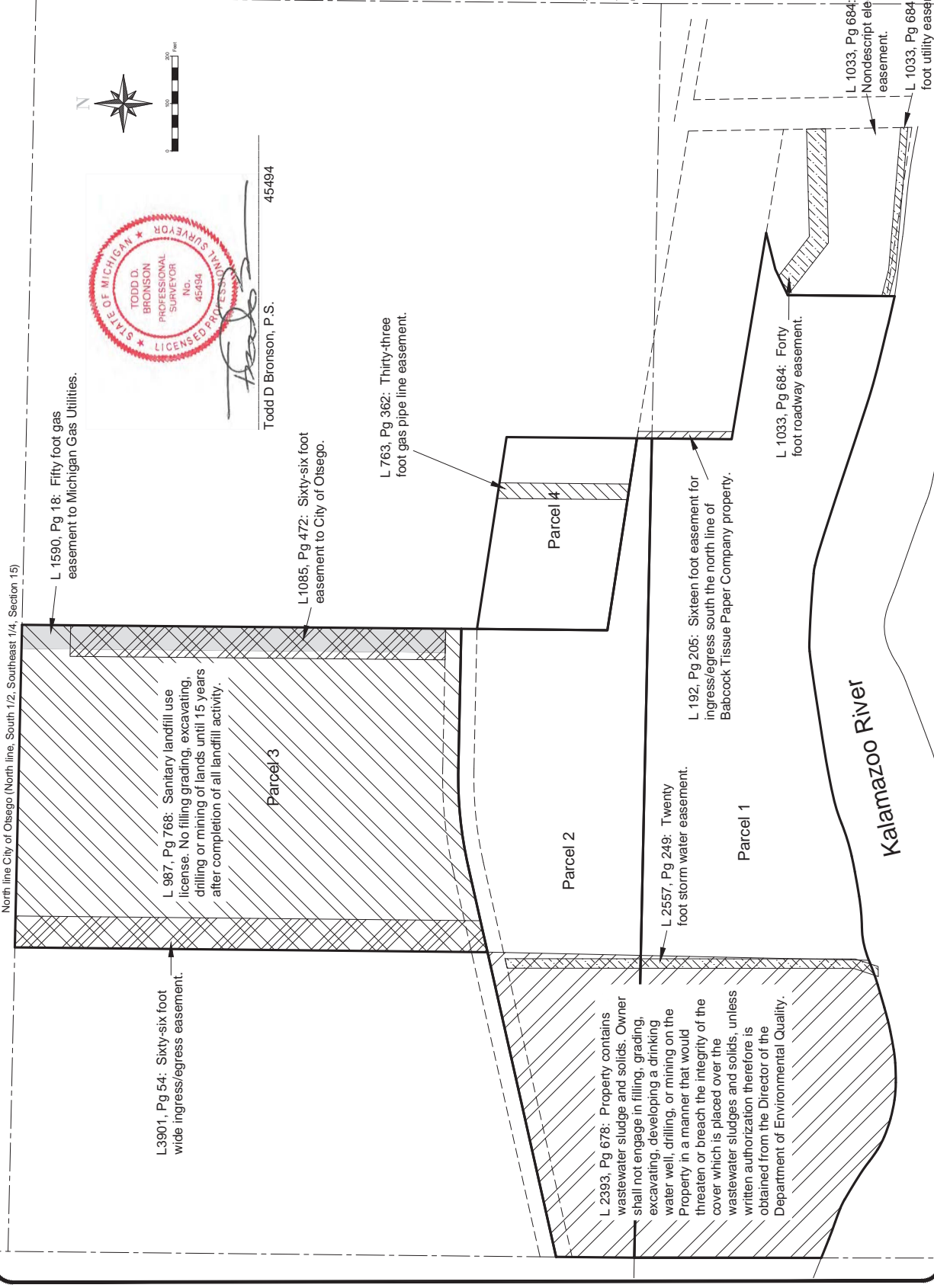
Rock TENN  
 Boundary Survey  
 Oshego, Michigan

DRAWN BY:	Todd Bronson
DATE:	November 13, 2017
JOB NUMBER:	241703
SCALE:	1"=200'
SHEET	3 of 4



REVISIONS:

North line City of Osego (North line, South 1/2, Southeast 1/4, Section 15)



**ATTACHMENT C**

**Project Description**

## PROJECT DESCRIPTION

The former RockTenn papermill property was an industrial property for close to 100 years and has been vacant for approximately 10 years. Left behind from its industrial history are blighted buildings and contamination in proximity to the Kalamazoo River which stand in the way of meaningful development.

The City of Otsego has developed an economic strategy that centers around the attraction of new businesses, the redevelopment of underutilized properties and increasing the housing stock for new residents. Redevelopment of the RockTenn property fits this economic strategy.

The RockTenn property consist of 4 parcels totaling approximately 47 acres. Parcels 1 and 2 contain a majority of the derelict buildings and also a capped waste disposal area which restricts the future use of disposal area. Parcel 3 was primarily used as a “borrow pit” as a source of sand for use in the waste disposal area where it was mixed with paper mill sludge and capped with clay. Some landfilling of polywaste may have also occurred on Parcel 3. Parcel 4 was primarily used for parking for the administrative staff at the papermill.

In keeping with the economic and development goals of the City and the desire by the County to eliminate safety concerns in the derelict buildings a Brownfield Plan has been prepared that consist of 2 parts. The first part is for the County to eliminate the safety concerns by demolishing the buildings and eliminating other hurdles to development such as soil contamination caused by the papermill operations. This will also eliminate a majority of the development hurdles that have kept interested developers on the sideline. The second part is to attract one or more developers to a site that is significantly more development ready. Once the buildings, including foundations and basements, are removed it is expected that there will be significantly more interest in redeveloping the property.

For purposes of this Brownfield Plan, an investment of \$10 million has been used in order to reimburse the County \$1,644,000 for demolition and cleanup activities and \$6,740,000 to attract developers for demolition, cleanup, and site preparation and infrastructure improvements leading to expected mixed-use development.

Depending of findings following the demolition of the buildings, other cleanup funding sources will be explored with EGLE and EPA. Additionally, funding opportunities, for infrastructure improvements may be available.

It is expected that the demolition and cleanup by the County will occur in early 2021 while overall development of the 4 parcels to be completed by 2028.



**ATTACHMENT D**

**Estimated Cost of Eligible Activities Table 1**

TABLE 1 - ESTIMATED COSTS OF ELIGIBLE ACTIVITIES - ROCKTEEN

Local Only - Department Specific Eligible Activities (County)	# of Units	Unit Type	Cost/Unit	Estimated Total Cost
Demolition Specifications and Contractor Selection	1		\$ 25,000	\$ 25,000
DCMP	1	LS	\$ 5,000	\$ 5,000
Erosion Control for Demolition Activities	1		\$ 5,000	\$ 5,000
Health and Safety Plans for Demolition	1		\$ 2,000	\$ 2,000
Demolition - Including Basements and Foundations	1		\$ 1,200,000	\$ 1,200,000
Demolition Oversight and Project Management			\$ 50,000	\$ 50,000
Unanticipated Environmental Response Activities				\$ 100,000
Backfill of Basements	1	LS	\$ 50,000	\$ 50,000
<b>Sub-total of Local only Eligible Activities</b>				\$ 1,437,000
Contingency 15%			\$ 207,000	\$ 207,000
<b>Total Local Only Department Specific Eligible Activities</b>				\$ 1,644,000
<b>State and Local Department Specific Activities (Developer)</b>				
<b>Baseline Environmental Assessment Activities (Phase I ESA, Phase II ESA, BEAs)</b>				
				\$ 100,000
<b>Sub-Total BEA Activities</b>				\$ 100,000
Contingency 15%				\$ 15,000
<b>Total BEA Activities</b>				\$ 115,000
<b>Due Care Activities</b>				
Construction Site Soil Management Plan	1	LS	\$ 10,000	\$ 10,000
Work Plan	1	LS	\$ 20,000	\$ 20,000
Health and Safety Plan(s)	1	LS	\$ 4,000	\$ 4,000
Contaminated Areas - Soil Transport and Off-site Disposal				\$ 1,000,000
Project Management - Coordination and Oversight Hiring Contracting	1	LS	\$ 15,000	\$ 15,000
Temporary Erosion Control - Silt Fencing	1	LS	\$ 10,000	\$ 10,000
Temporary Erosion Control - Sediment Bags	1	LS	\$ 1,000	\$ 1,000
On-Site Environmental Construction Management	1	LS	\$ 5,000	\$ 5,000
Environmental Field Activity & Field Oversight During Due Care	40	days	\$ 1,000	\$ 40,000
Due Care - Project Management	1	LS	\$ 10,000	\$ 10,000
<b>Sub-Total - Due Care Activities</b>				\$ 1,115,000
Contingency 15%				\$ 167,250
<b>Total - Due Care Activities</b>				\$ 1,282,250
<b>Response Activities</b>				
Unanticipated Environmental Response Activities (Drums, USTs, associated contaminated soil)				\$ 200,000
<b>15% Response Activities</b>				\$ 30,000
<b>Total - Response Activities</b>				\$ 230,000
<b>Total - EGLE DEPARTMENT SPECIFIC - COUNTY AND DEVELOPER</b>				\$ 3,156,250
<b>MSF Non-Environmental Eligible Activities - Developer or County</b>				
<b>Demolition</b>				
<b>Total - Demolition -Parcel 3</b>				\$ 100,000
<b>Lead &amp; Asbestos Abatement</b>				
<b>Total - Lead &amp; Asbestos Abatement</b>				\$ 10,000
<b>Site Preparation</b>				
<b>Total - Site Preparation</b>				\$ 1,500,000
<b>Infrastructure Improvements</b>				
<b>Total - Infrastructure Improvements</b>				\$ 2,875,000
15% Contingency on MSF Non-Environmental Eligible Activities				\$ 672,750
<b>TOTAL MSF NON-ENVIRONMENTAL ACTIVITIES -COUNTY AND DEVELOPER</b>				\$ 5,157,750
<b>Brownfield Plan &amp; Act 381 Work Plan Preparation</b>				
Brownfield Plan and Brownfield Plan Amendments	3	LS	\$ 10,000.00	\$ 30,000
Act 381 Work Plan(s)	2	LS	\$ 20,000.00	\$ 40,000
<b>Total - BP &amp; Act 381 WP Preparation</b>				\$ 70,000
<b>TOTAL EGLE DEPARTMENT SPECIFIC ACTIVITIES</b>				\$ 3,186,250
<b>TOTAL MSF NON-ENVIRONMENTAL ACTIVITIES</b>				\$ 5,197,750
INTEREST (simple 5% non-compounding)				\$ -
<b>Total Estimated Eligible Activities</b>				<b>\$ 8,384,000</b>

**ATTACHMENT E**

**TIF Tables**

**Tax Increment Revenue Capture Estimates**  
 RockTenn  
 Otsego, Michigan  
 December 2020

**RockTenn Tax Increment Finance Tables**

Estimated Taxable Value (TV) Increase Rate: 1% per year

**Assumes Years 1-5 as no significant tax capture will commence**

Plan Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Calendar Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
*Base Taxable Value \$	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated New TV \$	-	-	-	-	-	-	5,000,000	5,050,000	10,100,500	10,201,505	10,303,520	10,406,555	10,510,621	10,615,727	10,721,884
Incremental Difference (New TV - Base TV) \$	-	-	-	-	-	-	5,000,000	5,050,000	10,100,500	10,201,505	10,303,520	10,406,555	10,510,621	10,615,727	10,721,884

School/Capture	Millage Rate	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
State Education Tax (SET)	6.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,300	\$ 60,603	\$ 61,821	\$ 62,439	\$ 63,064	\$ 63,694	\$ 64,331	
School Operating Tax	17.8020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,010	\$ 89,500	\$ 179,809	\$ 181,607	\$ 183,423	\$ 185,257	\$ 187,110	\$ 188,981	\$ 190,871	
<b>School Total</b>	<b>23.8020</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,010	\$ 119,800	\$ 240,412	\$ 243,430	\$ 246,842	\$ 247,696	\$ 248,774	\$ 249,965	\$ 251,202	

Local Capture	Millage Rate	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
City Operating	11.6283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,142	\$ 58,723	\$ 117,452	\$ 118,626	\$ 119,812	\$ 121,011	\$ 122,221	\$ 123,443	\$ 124,677	
City Solid Waste	1.9089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,545	\$ 9,640	\$ 19,281	\$ 19,474	\$ 19,668	\$ 19,865	\$ 20,064	\$ 20,264	\$ 20,467	
Public Safety	1.9243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,622	\$ 9,718	\$ 19,436	\$ 19,631	\$ 19,827	\$ 20,025	\$ 20,226	\$ 20,428	\$ 20,632	
Allegan County Operating	4.5207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,604	\$ 22,830	\$ 45,661	\$ 46,118	\$ 46,579	\$ 47,045	\$ 47,515	\$ 47,991	\$ 48,470	
AAESA (education services) ISD/Voc	4.8728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,364	\$ 24,608	\$ 49,218	\$ 49,710	\$ 50,207	\$ 50,709	\$ 51,216	\$ 51,728	\$ 52,246	
Vet relief fund	0.0200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 101	\$ 202	\$ 204	\$ 206	\$ 208	\$ 210	\$ 212	\$ 214	
Road Tax	0.9919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,960	\$ 5,009	\$ 10,019	\$ 10,119	\$ 10,220	\$ 10,322	\$ 10,425	\$ 10,530	\$ 10,635	
Senior Service	0.4890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,445	\$ 2,469	\$ 4,939	\$ 4,989	\$ 5,038	\$ 5,089	\$ 5,140	\$ 5,191	\$ 5,243	
Library	0.9832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,916	\$ 4,965	\$ 9,931	\$ 10,030	\$ 10,130	\$ 10,232	\$ 10,334	\$ 10,437	\$ 10,542	
<b>BRA Local Total</b>	<b>27.3391</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,010	\$ 119,800	\$ 240,412	\$ 243,430	\$ 246,842	\$ 247,696	\$ 248,774	\$ 249,965	\$ 251,202	

Non-Capturable Millages	Millage Rate	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
School Debt	7.5000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,500	\$ 37,875	\$ 75,754	\$ 76,511	\$ 77,276	\$ 78,049	\$ 78,830	\$ 79,618	\$ 80,414	
Sinking Fund Debt	0.9946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,973	\$ 5,023	\$ 10,046	\$ 10,146	\$ 10,248	\$ 10,350	\$ 10,454	\$ 10,558	\$ 10,664	
Library Debt	0.6100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,050	\$ 3,081	\$ 6,161	\$ 6,223	\$ 6,285	\$ 6,348	\$ 6,411	\$ 6,476	\$ 6,540	
<b>Total Non-Capturable Taxes</b>	<b>9.1046</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,523	\$ 45,978	\$ 91,961	\$ 92,881	\$ 93,809	\$ 94,748	\$ 95,695	\$ 96,652	\$ 97,618	

TOTAL MILLAGES AVAILABLE FOR TAX CAPTURE	Millage Rate	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<b>TOTAL MILLAGES AVAILABLE FOR TAX CAPTURE</b>	<b>51.1411</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,010	\$ 120,200	\$ 240,412	\$ 242,816	\$ 245,244	\$ 247,697	\$ 250,174	\$ 252,676	\$ 255,202	
Total Tax Increment Revenue (TIR) Available for State Capture		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,010	\$ 120,200	\$ 240,412	\$ 242,816	\$ 245,244	\$ 247,697	\$ 250,174	\$ 252,676	\$ 255,202	

**Tax Increment Revenue Capture Estimates**  
 RockTenn  
 Otsego, Michigan  
 December 2020

**RockTenn Tax Increment Finance Tables**

Estimated Taxable Value (TV) Increase Rate:

*Assumes Years 1-5 as no significant tax capture will commence*

	15	16	17	18	19	20	21	22	23	24	25	26	27	TOTAL
Plan Year	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	
Calendar Year	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	
*Base Taxable Value \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Estimated New TV \$	\$ 10,829,103	\$ 10,937,394	\$ 11,046,768	\$ 11,157,236	\$ 11,268,808	\$ 11,381,496	\$ 11,495,311	\$ 11,610,264	\$ 11,726,367	\$ 11,843,631	\$ 11,962,067	\$ 12,081,688	\$ 12,202,504	
Incremental Difference (New TV - Base TV)	\$ 10,829,103	\$ 10,937,394	\$ 11,046,768	\$ 11,157,236	\$ 11,268,808	\$ 11,381,496	\$ 11,495,311	\$ 11,610,264	\$ 11,726,367	\$ 11,843,631	\$ 11,962,067	\$ 12,081,688	\$ 12,202,504	
<b>School Capture</b>														
State Education Tax (SET)	6.0000	\$ 64,975	\$ 65,624	\$ 66,281	\$ 66,943	\$ 67,613	\$ 68,289	\$ 68,972	\$ 69,662	\$ 70,358	\$ 71,062	\$ 71,772	\$ 72,490	\$ 966,159
School Operating Tax	17.8020	\$ 192,780	\$ 194,707	\$ 196,655	\$ 198,621	\$ 200,607	\$ 202,613	\$ 204,640	\$ 206,686	\$ 208,753	\$ 210,840	\$ 212,949	\$ 215,078	\$ 2,661,953
<b>School Total</b>	<b>23.8020</b>													
<b>Local Capture</b>														
City Operating	11.6283	\$ 125,924	\$ 127,183	\$ 128,455	\$ 129,740	\$ 131,037	\$ 132,347	\$ 133,671	\$ 135,008	\$ 136,358	\$ 137,721	\$ 140,099	\$ 140,489	\$ 1,872,464
City Solid Waste	1.9089	\$ 20,672	\$ 20,878	\$ 21,087	\$ 21,298	\$ 21,511	\$ 21,726	\$ 21,943	\$ 22,163	\$ 22,384	\$ 22,608	\$ 22,834	\$ 23,063	\$ 307,383
Public Safety	1.9243	\$ 20,838	\$ 21,047	\$ 21,257	\$ 21,470	\$ 21,685	\$ 21,901	\$ 22,120	\$ 22,342	\$ 22,565	\$ 22,791	\$ 23,019	\$ 23,249	\$ 309,863
Allegan County Operating	4.5207	\$ 48,955	\$ 49,445	\$ 49,939	\$ 50,439	\$ 50,943	\$ 51,452	\$ 51,967	\$ 52,487	\$ 53,011	\$ 53,542	\$ 54,077	\$ 54,618	\$ 727,952
AAESA (education services ISD/Voc)	4.8728	\$ 52,768	\$ 53,296	\$ 53,829	\$ 54,367	\$ 54,911	\$ 55,460	\$ 56,014	\$ 56,574	\$ 57,140	\$ 57,712	\$ 58,289	\$ 58,872	\$ 784,650
Vet relief fund	0.0200	\$ 217	\$ 219	\$ 223	\$ 225	\$ 228	\$ 230	\$ 232	\$ 235	\$ 237	\$ 239	\$ 242	\$ 244	\$ 3,221
Road Tax	0.9919	\$ 10,741	\$ 10,849	\$ 10,957	\$ 11,067	\$ 11,178	\$ 11,289	\$ 11,402	\$ 11,516	\$ 11,631	\$ 11,748	\$ 11,865	\$ 11,984	\$ 159,722
Senior Service	0.4890	\$ 5,295	\$ 5,348	\$ 5,402	\$ 5,456	\$ 5,510	\$ 5,566	\$ 5,621	\$ 5,677	\$ 5,734	\$ 5,792	\$ 5,849	\$ 5,908	\$ 76,742
Library	0.9832	\$ 10,647	\$ 10,754	\$ 10,861	\$ 10,970	\$ 11,079	\$ 11,190	\$ 11,302	\$ 11,415	\$ 11,529	\$ 11,645	\$ 11,761	\$ 11,879	\$ 158,321
<b>BRA Local Total</b>	<b>27.3391</b>													
<b>Non-Capture Millages</b>														
School Debt	7.5000	\$ 81,218	\$ 82,030	\$ 82,851	\$ 83,679	\$ 84,516	\$ 85,361	\$ 86,215	\$ 87,077	\$ 87,948	\$ 88,827	\$ 89,716	\$ 90,613	\$ 1,743,397
Sinking Fund Debt	0.9946	\$ 10,771	\$ 10,878	\$ 10,987	\$ 11,097	\$ 11,208	\$ 11,320	\$ 11,433	\$ 11,548	\$ 11,663	\$ 11,780	\$ 11,897	\$ 12,016	\$ 231,198
Library Debt	0.6100	\$ 6,606	\$ 6,672	\$ 6,739	\$ 6,806	\$ 6,874	\$ 6,943	\$ 7,012	\$ 7,082	\$ 7,153	\$ 7,225	\$ 7,297	\$ 7,370	\$ 141,796
<b>Total Non-Captureable Taxes</b>	<b>9.1046</b>	\$ 98,595	\$ 100,576	\$ 102,598	\$ 104,660	\$ 106,764	\$ 108,910	\$ 111,109	\$ 113,329	\$ 115,590	\$ 117,912	\$ 120,286	\$ 122,716	\$ 2,116,391
<b>TOTAL MILLAGES AVAILABLE FOR TAX CAPTURE</b>	<b>51.1411</b>													
Total Tax Increment Revenue (TIR) Available for State Capture		\$ 257,754	\$ 260,332	\$ 262,935	\$ 265,565	\$ 268,220	\$ 270,902	\$ 273,611	\$ 276,348	\$ 279,111	\$ 281,902	\$ 284,721	\$ 287,568	\$ 290,444
		\$ 257,754	\$ 260,332	\$ 262,935	\$ 265,565	\$ 268,220	\$ 270,902	\$ 273,611	\$ 276,348	\$ 279,111	\$ 281,902	\$ 284,721	\$ 287,568	\$ 290,444

Tax Incremental Revenue Reimbursement Table  
 RockTenn Redevelopment Project  
 Otsego, Michigan  
 December 2020

Developer Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	44.47%	\$ 3,728,640	\$ -	\$ 3,728,640
Local	55.53%	\$ 4,655,360	\$ -	\$ 4,655,360
<b>TOTAL</b>		<b>\$ 8,384,000</b>	<b>\$ -</b>	<b>\$ 8,384,000</b>
EGLE	38%	\$ 3,186,250	\$ 1,644,000	\$ 4,830,250
MSF	62%	\$ 5,197,750	\$ -	\$ 5,197,750

Estimated Total Years of Plan: 30

Estimated Capture	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Administrative Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Brownfield Redevelopment Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Brownfield Revolving Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Debt Millage Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total State Incremental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Brownfield Redevelopment Fund (50% of SET)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State TIR Available for Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Incremental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BRA Administrative Fee (5%)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local TIR Available for Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total State &amp; Local TIR Available</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
MSF Non-Environmental Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total MSF Reimbursement Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
EGLE Environmental Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total MDQR Reimbursement Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Local Only Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Local Only Reimbursement Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Annual Developer Reimbursement</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Developer Maximum Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
EGLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Estimated Total Years of Plan: 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Footnotes:  
 BRA administrative fee is 5%. This amount may be adjusted downward or upward based upon a plan's proportionate share of all tax increment revenue available and based upon maximum amounts that an authority can capture for administrative fees per PA 381.  
 \* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from DEQ & Local TIR only.

**Tax Incremental Revenue Reimbursement Table**  
**RockTenn Redevelopment Project**  
 Otsego, Michigan  
 December 2020

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	TOTAL
Total State Incremental Revenue	\$ 255,202	\$ 257,754	\$ 260,332	\$ 262,935	\$ 265,565	\$ 268,220	\$ 270,902	\$ 273,611	\$ 276,348	\$ 279,111	\$ 281,902	\$ 284,721	\$ 287,568	\$ 290,444	\$ 4,109,099
State Brownfield Redevelopment Fund (50% of SET)	\$ 32,166	\$ 32,487	\$ 32,812	\$ 33,140	\$ 33,472	\$ 33,806	\$ 34,144	\$ 34,486	\$ 34,831	\$ 35,179	\$ 35,531	\$ 35,886	\$ 36,245	\$ 36,608	\$ 697,359
State TIR Available for Reimbursement	\$ 223,037	\$ 225,267	\$ 227,520	\$ 229,795	\$ 232,093	\$ 234,414	\$ 236,758	\$ 239,125	\$ 241,517	\$ 243,932	\$ 246,371	\$ 248,835	\$ 251,323	\$ 253,836	\$ 4,871,372
Total Local Incremental Revenue	\$ 293,127	\$ 296,058	\$ 299,019	\$ 302,009	\$ 305,029	\$ 308,079	\$ 311,160	\$ 314,271	\$ 317,414	\$ 320,588	\$ 323,794	\$ 327,032	\$ 330,302	\$ 333,605	\$ 6,355,054
BRA Administrative Fee (5%)	\$ 14,656	\$ 14,803	\$ 14,951	\$ 15,100	\$ 15,251	\$ 15,404	\$ 15,558	\$ 15,714	\$ 15,871	\$ 16,029	\$ 16,190	\$ 16,352	\$ 16,515	\$ 16,680	\$ 317,753
Local TIR Available for Reimbursement	\$ 278,470	\$ 281,255	\$ 284,068	\$ 286,908	\$ 289,777	\$ 292,675	\$ 295,602	\$ 298,558	\$ 301,543	\$ 304,559	\$ 307,604	\$ 310,681	\$ 313,787	\$ 316,925	\$ 6,037,302
Total State & Local TIR Available	\$ 501,507	\$ 506,522	\$ 511,587	\$ 516,703	\$ 521,870	\$ 527,089	\$ 532,360	\$ 537,683	\$ 543,060	\$ 548,491	\$ 553,976	\$ 559,402	\$ 565,111	\$ 570,762	\$ 10,906,674
<b>DEVELOPER</b>															
DEVELOPER Reimbursement Balance	\$ 4,505,941	\$ 3,999,419	\$ 3,487,832	\$ 2,971,129	\$ 2,449,258	\$ 1,922,170	\$ 1,389,810	\$ 852,126	\$ 309,066						\$ 8,384,000
<hr/>															
MSF Non-Environmental Costs	\$ 310,915	\$ 314,024	\$ 317,164	\$ 320,336	\$ 428,925	\$ 527,089	\$ 532,360	\$ 537,683	\$ 543,060	\$ 264,241					\$ 5,197,750
State Tax Reimbursement	\$ 138,274	\$ 139,657	\$ 141,053	\$ 142,464	\$ 190,779	\$ 234,414	\$ 236,758	\$ 239,125	\$ 241,517	\$ 117,517					\$ 2,677,264
Local Tax Reimbursement	\$ 172,641	\$ 174,367	\$ 176,111	\$ 177,872	\$ 238,196	\$ 292,675	\$ 295,602	\$ 298,558	\$ 301,543	\$ 146,725					\$ 2,520,486
Total MSF Reimbursement Balance	\$ 3,784,932	\$ 3,470,908	\$ 3,153,744	\$ 2,833,408	\$ 2,404,433	\$ 1,877,345	\$ 1,344,985	\$ 807,301	\$ 264,241						\$ -
<hr/>															
EGLE Environmental Costs	\$ 190,592	\$ 192,498	\$ 194,423	\$ 196,368	\$ 92,895										\$ 1,542,250
State Tax Reimbursement	\$ 84,763	\$ 85,610	\$ 86,466	\$ 87,331	\$ 41,314										\$ 910,037
Local Tax Reimbursement	\$ 105,830	\$ 106,888	\$ 107,957	\$ 109,036	\$ 51,582										\$ 632,213
Total MDQR Reimbursement Balance	\$ 676,184	\$ 683,666	\$ 689,263	\$ 692,895	\$ 0										\$ -
<hr/>															
Local Only Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,644,000
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement	\$ 501,507	\$ 506,522	\$ 511,587	\$ 516,703	\$ 521,870	\$ 527,089	\$ 532,360	\$ 537,683	\$ 543,060	\$ 309,066	\$ -	\$ -	\$ -	\$ -	\$ 8,384,000
<hr/>															
<b>LOCAL BROWNFIELD REVOLVING FUND</b>															
LBRF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,480	\$ 246,371	\$ 284,721	\$ 251,323	\$ 253,836	\$ 1,142,732
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,945	\$ 307,604	\$ 310,681	\$ 313,787	\$ 316,925	\$ 1,381,942
Total LBRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 239,425	\$ 553,976	\$ 595,402	\$ 565,111	\$ 570,762	\$ 2,524,674

\* Up to five years of capture for LBRF Deposits after el

**Allegan County Brownfield Redevelopment Authority**  
**Brownfield Plan for former Rock Tenn Property located 431 Helen Avenue, Otsego, MI, 49078.**

Assumptions used by the plan developer to generate the TIF revenue table (Attachment E).

1. We have assumed a phased project with a \$10 million investment over 5 years and another \$10 million over 8 years. Total investment of \$20 million. Creating an end taxable value of \$10 million.
2. For eligible activities we have used \$1.6 million estimate by demolition contractor and environmental consulting firm that includes demolition of the buildings including basements and foundations, the recovery of scrap metal and the reuse of crushed concrete to backfill many of the basement cavities, and contaminated soil associated with the demolition.
3. Much of the higher costs associated with cleanup and due care activities by the developer are associated with Parcel 3. This parcel has not been thoroughly investigated, has been encroached on the north property boundary by the papermill landfill and will require significant site preparation due to the removal of large quantities of sand that was used to mix with papermill waste in the capped waste disposal area.
4. We have used the infrastructure costs provided by the City of Otsego.
5. Administrative fees can be captured for the Allegan County Brownfield Redevelopment Authority (ACBRA) to manage the development (hiring legal, consultant's, accountants, etc.). We have assumed 5% for this fee. Most communities use between 5 and 10%.
6. We have assumed no interest charges for the developer.
7. We have included the opportunity to capture local taxes from years 22-27 in a local brownfield revolving fund (LBRF) that the County can use on other brownfield sites if they choose. Having an LBRF does not mean that the County has to use these funds, it only provides the opportunity.
8. The payback period with the assumptions we have used is 18 years (no capture until year 6) with an additional 5 years if the County has an LBRF.

John J. D'Addona, P.E.

Manager of Brownfield Services | Principal Engineer  
Environmental Consulting & Technology, Inc.

2200 Commonwealth Blvd., Suite 300 | Ann Arbor, MI 48105

734-769-3004 (Office) | 734-330-4542 (Mobile) | 734-769-3164 (Fax)

[jdaddona@ectinc.com](mailto:jdaddona@ectinc.com) | [www.ectinc.com](http://www.ectinc.com)

Questions and Answers to date:

1. Q: Does the County board decide between local TIF vs State TIF. A: The County Board would only approve local tax capture (in most cases) as we know that the State agencies (MEDC and EGLE) would not approve an Act 381 Work Plan in a timely manner in which to complete the work OR they just flat out wouldn't support a Project for whatever Policies they have in place at this time. In our case we have a combination right now of local and state TIF projections. The state dollars (SET and School operating) only get approved by the MEDC and EGLE, even if the County adopts the plan to include both, the capture of these taxes could not occur until an Act 381 Work Plan is approved by EGLE for environmental activities and by MEDC for non-environmental activities.



2. Q: Are there any additional steps needed to add a developer later in the process or after this plan is approved? A: If no Brownfield Plan amendment is necessary, the Developer can be added into the Plan with an administrative amendment and an amendment to the Reimbursement Agreement, which will be attached to the Brownfield plan and set up between the ACBRA and the Allegan County with whichever department named at the County will be paying for the demolition costs.
3. Q: Can we modify the plan after the plan is approved? A: You can Amend the Plan at any time to modify items that would trigger an amendment, which includes:
  - a. Increase in overall cost – so if you have a Plan approved for \$10M, but a developer comes along and states it will take \$11M in Eligible Activities to complete the work then you'd have to complete a formal amendment.
  - b. Addition of other Eligible Properties. So, if you wanted to add in additional parcels to increase the TIF capture, then you'd have to amend the Plan.
  - c. Otherwise you can adopt a policy that only requires an administrative Amendment for items such as line item adjustments. (for example, you have \$100K in Demo and \$200K in site prep. Verses \$200K in Demo and \$200K in site prep).
4. Q: With approval of this plan will any taxing unit loose existing tax review? A: No, the TIF is a tool the County can use to capture future tax revenue growth to reimburse the County for the expenditure used for demolition and clean up.
5. Q: Is there a Brownfield program fact sheet? A: See attached fact sheets from the Michigan Economic Development Corporation.

**NOTICE TO ALL TAXING JURISDICTIONS THE ALLEGAN COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY PROPOSES TO APPROVE A BROWNFIELD PLAN FOR THE PROPERTY LOCATED AT 431 HELEN AVENUE OTSEGO, MICHIGAN PRESENTLY KNOWN AS ROCK TENN**

The Allegan County Board of Commissioners has established a Brownfield Redevelopment Authority (the "Authority") in accordance with the Brownfield Redevelopment Act, Act 381 Public Acts of the State of Michigan of 1996, as amended (the "Act").

The Act provides a means for local units of government to facilitate the revitalization of environmentally distressed, functionally obsolete and/or blighted areas. The Authority has prepared and adopted a Brownfield Plan for redevelopment of the property located at 431 Helen Avenue, Otsego, Michigan (see attached legal description). The proposed reuse for this property is undetermined at this time. The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for an industrial purpose; (b) the Property is determined to be a "facility", as defined by Part 201, the Natural Resources Protection Act, and "blighted" as it is tax reverted property owned by a county"; and (c) it is a "qualified property" as a papermill on the Kalamazoo River, which allows for the addition of eligible activities to include site preparation and infrastructure improvements.

This document is notification to local taxing units of the Brownfield Plan for the noted property, and of the County of Allegan's intent to approve the Brownfield Plan.

The Act permits the Authority to use tax increment financing for redevelopment projects included in a Brownfield Plan. Tax increment financing allows the Authority to capture tax revenues attributable to increases in the taxable value of real and personal property located on the "eligible property", which may include adjacent or contiguous parcels. Increases in taxable value may be attributable to various factors, including acquisition, remediation, new construction, rehabilitation, remodeling, alterations, additions, and installation of personal property on the contaminated, functionally obsolete, or blighted property.

The plan will be adopted at the (Date) meeting of the Allegan County Board of Commissioners held at 1 p.m. The public may participate in the meeting/public hearing by calling 1-929-205-6099, Meeting ID: 848 6387 9892 and Meeting Password 100820. For other options connecting to the meeting, please visit our meeting notice website at [www.allegancounty.org](http://www.allegancounty.org) or contact the County Administrator's Office. If you have any questions or comments concerning the Brownfield Redevelopment Authority you may attend the meeting and express those concerns during the public comment period. You may also direct inquires to the Office of the Allegan County Administrator at 269-673-0239, between 8:00AM and 5:00PM.

January XX, 2021

BOB GENETSKI, COUNTY CLERK

## Notice of Public Hearing to Adopt a Brownfield Plan

NOTICE OF PUBLIC HEARING ON THE ADOPTION OF A BROWNFIELD PLAN LOCATED AT 431 HELEN, OTSEGO, MICHIGAN PURSUANT TO AND IN ACCORDANCE WITH ACT 381 OF THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED.

PLEASE TAKE NOTICE THAT a Public Hearing shall be held before the Allegan County Board of Commissioners on the 28<sup>th</sup> day of January, 2021, at 1:00 p.m. on the adoption of a Brownfield Plan for 431 Helen, Otsego Michigan. The public may participate in the meeting/public hearing by calling 1-929-205-6099, Meeting ID: 848 6387 9892 and Meeting Password 100820. For other options connecting to the meeting, please visit our meeting notice website at [www.allegancounty.org](http://www.allegancounty.org) or contact the County Administrator's Office. The Brownfield Redevelopment Authority shall exercise its powers pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended.

The description of the proposed brownfield property is:

Land situated at 431 Helen Avenue of Otsego, County of Allegan, and State of Michigan, described as follows: Four parcels located on approximately 58 acres located in the City of Otsego on the site of a former Rock Tenn papermill along the Kalamazoo River. Three of the four parcels are located south of River Road and one parcel is located north of River Road. Please see attached legal description.

The proposed brownfield plan would allow [the developer, ACBRA, County, or other party] to be reimbursed for eligible costs incurred to prepare the brownfield property for redevelopment. Eligible costs may include environmental, demolition, and/or site preparation and infrastructure costs. The Brownfield Plan must first be approved by the Allegan County Brownfield Redevelopment Authority, the City of Otsego, followed by final approval by the Allegan County Board of Commissioners.

The legal description of the property along with any maps and a copy of the Brownfield Plan are available for public inspection online at [www.allegancounty.org](http://www.allegancounty.org) under Projects or on weekdays at the Office of the Allegan County Administrator (address below), between 8:00AM and 5:00PM.

Robert J. Sarro,  
County Administrator,  
3283 – 122nd Avenue,  
Allegan, Michigan, 49010  
269-673-0239

All aspects of the Brownfield Plan are open for discussion at the public hearing.

## COMMUNITY DEVELOPMENT BROWNFIELD PROGRAM OVERVIEW

The Brownfield Program uses tax increment financing (TIF) to reimburse brownfield related costs incurred while redeveloping contaminated, functionally obsolete, blighted or historic properties. It is also responsible for managing the Single Business Tax and Michigan Business Tax Brownfield Credit legacy programs (SBT/MBT Brownfield Credits).

The Michigan Strategic Fund (MSF) with assistance from the Michigan Economic Development Corporation (MEDC), administers the reimbursement of costs using state school taxes (School Operating and State Education Tax) for non-environmental eligible activities that support redevelopment, revitalization and reuse of eligible property. The MEDC also manages amendments to SBT/MBT Brownfield Credit projects approved by MSF. The Michigan Department of Environmental Quality (MDEQ) administers the reimbursement of environmental response costs using state school taxes for environmental activities, and local units of government sometimes use only local taxes to reimburse for eligible activities (i.e., “local-only” plans). The state statutory authority for the Brownfield Redevelopment Financing Act program is Act 381 of 1996, as amended (Act 381).

Two categories of eligible activities under TIF are available across the state; demolition and lead and asbestos abatement. Two additional eligible activities are available in any qualified local government unit<sup>1</sup> (QLGU) or on property owned by a land bank; site preparation and infrastructure improvements. Land banks may also be reimbursed for costs related to conveying and managing property that is in their possession. The non-environmental program generally targets industrial site reuse, and urban development with mixed-use components.

The Brownfield Redevelopment Authority (BRA) is the local jurisdiction entity that manages the development of brownfield plans. After approval of a brownfield plan by the local governing body, the BRA may request capture of state school taxes via a work plan submitted to the MEDC and/or MDEQ. There are 295 BRAs in Michigan, and approximately 467 brownfield plans that are active or have been completed across the state (as reported to the MEDC in September 2015). These

authorities vary in terms of their participation with MSF and/or MDEQ to request state school taxes for TIF reimbursement.

MEDC staff recommends policy documents, school tax capture work plans, school tax capture amendments and amendments to SBT/MBT brownfield credits to the MSF for consideration. The MEDC manages all work plans and SBT/MBT brownfield credits approved by the board, including assuring reporting obligations and compliance.

Eligible program uses under TIF include:

- Demolition
- Lead and asbestos abatement
- Site preparation
- Infrastructure improvements
- Assistance to land banks and local government units

Eligible program uses under legacy SBT/MBT Brownfield Credits include:

- Demolition
- Lead and asbestos abatement
- Building renovation
- New construction
- Purchased or leased equipment

### TAX INCREMENT FINANCING PROCESS

The work plan submission and approval is a multiple step process. Work plans are received on an ongoing basis and eligible activities must be in accordance with the Act 381 guidance issued by MEDC. Once a project is identified, the BRA or local government representative works with MEDC staff to perform the following steps:

#### I. Initial evaluation

- a. Project scoping and submittal of a draft work plan and other supporting documentation provided to MEDC community assistance team or business development manager to determine initial support.
- b. MEDC leadership consideration of initial support and if supported, letter of interest provided.

<sup>1</sup>As defined in PA 146 of 2000, MCL 125.2781 to 125.2797

## II. Work plan submission, review and MSF consideration

- a. BRA or local government representative submits a work plan or amended work plan, brownfield plan, approving resolutions, transmittal letter, and executed reimbursement agreement to MEDC after project is approved by local governing body.
- b. Due diligence performed to verify that BRA is compliant with Act 381 reporting requirements. MEDC staff reviews proposed eligible activities for compliance with MSF guidance, and makes a recommendation to the MSF board or delegated representative.
- c. MSF board or delegated representative determines support for the project.
- d. Local government unit administers TIF capture and is subject to reporting requirements.

## III. Reporting requirements (TIF work plans only)

- a. BRA submits information annually to MEDC via online portal for each project currently collecting tax increment revenue
- b. MEDC and MDEQ compiles information and provides report to legislature.

## SBT/MBT BROWNFIELD CREDITS

### I. Amendments

- a. Amendment application is submitted and amendment request is vetted by brownfield program staff and brownfield program leadership.
- b. If amendment is supported, remaining amendment request forms and any other materials required for review is submitted to brownfield program staff.
- c. MSF board or delegated representative determines support for the project.

### II. Project completion

- a. Qualified taxpayer sends certificate of completion request to MEDC brownfield staff.
- b. Certificate of completion request is reviewed and sent to MEDC compliance for review.
- c. If certificate of completion request fulfills statutory requirements, certificate of completion is issued. Qualified taxpayer may then submit the certificate of completion to Department of Treasury for refund, or tax abatement

## CONTACT INFORMATION

For more information, contact the MEDC customer contact center at 517.373.9808.