

BROWNFIELD REDEVELOPMENT AUTHORITY

RESOLUTION

WHEREAS, the State of Michigan has created legislative authority and tools for cities to redevelop brownfield sites within their jurisdiction, and

WHEREAS, the City of Mt. Pleasant has created a Brownfield Redevelopment Authority which has been established to encourage redevelopment of blighted, functionally obsolete or contaminated sites, and

WHEREAS, the redevelopment of these properties will lead to increased tax revenue for all units of government, and

WHEREAS, these redeveloped sites lead to increased tax revenues which can be captured by the Brownfield Redevelopment Authority to fund approved activities in a Brownfield Plan, and

WHEREAS, units of government are facing increased budget problems due to decreasing state revenue sharing, increased expenses and shrinking tax base, and

WHEREAS, the Brownfield Redevelopment Authority wishes to continue to encourage redevelopment and not have a negative impact on units of governments' budgets,

NOW THEREFORE, BE IT RESOLVED, that the Mt. Pleasant Brownfield Redevelopment Authority hereby adopts the following policy for the capture of TIF revenues for payment of approved Brownfield Plan activities:

1. No projects will be approved that can be repaid in less than 1 year's tax capture.
2. An approved Brownfield Plan shall limit the TIF capture as follows:
 - a. A Brownfield that can be paid in 5 years or less will capture 100% of the increase in tax.
 - b. A Brownfield that is paid between 5 and 10 years will capture 80% of the increase in tax.
 - c. A Brownfield that is paid in more than 10 years will capture 75% of the increase in tax, and

WHEREAS, the Brownfield Redevelopment Authority wishes to utilize the tax increment finance (TIF) tool to implement brownfield redevelopment, and

WHEREAS, the Brownfield Redevelopment Authority wishes to establish uniform criteria for utilizing the brownfield redevelopment TIF tool,

NOW, THEREFORE, BE IT RESOLVED, that the Brownfield Redevelopment Authority must declare the site a local brownfield site according to the provisions of Act 381 of 1996, as amended, prior to the approval of the TIF Plan, and

BE IT FURTHER RESOLVED, that all TIF plans with eligible expenses of at least \$1,000,000 should include school tax capture, if possible, and

BE IT FURTHER RESOLVED, that the Brownfield Redevelopment Authority will not capture any taxing units of governments' voted debt millage, and

BE IT FURTHER RESOLVED, that the Brownfield Redevelopment Authority will transfer up to 5% of the eligible annual capture for local administrative costs, and

BE IT FURTHER RESOLVED, that the Brownfield Redevelopment Authority will authorize the capture of additional tax increment revenues from all eligible properties in excess of the amount authorized under subsection 4 of the Act for an additional 5 years for the establishment of a local site remediation revolving loan fund,

BE IT FURTHER RESOLVED, that the Revolving Loan Fund monies shall be based on the value of five years of capture but may occur any time over the life of the plan as approved by the BRA and City Commission.

BE IT FINALLY RESOLVED, that the resolution takes effect with the ratification of the Brownfield Redevelopment Authority and the Mt. Pleasant City Commission.

Motion unanimously adopted.