CASS COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY (CCBRA)
LOCAL BROWNFIELD REVOLVING FUND
Policies and Procedures

BACKGROUND

Michigan's Brownfield Redevelopment Financing Act, Public Act 381 (Act 381), as amended, enables brownfield redevelopment in the State of Michigan and the establishment of countywide brownfield redevelopment authorities (BRAs). Act 381 further provides BRAs with tools to facilitate redevelopment, including tax increment financing (TIF), to support eligible brownfield expenses incurred through development of housing properties and/or the reuse of a contaminated, blighted, historic, and/or functionally obsolete property, as defined under Act 381.

On May 1, 2008, the Cass County Board of Commissioners voted to formally establish the Cass County Brownfield Redevelopment Authority (CCBRA) in accordance with Act 381, as amended. The CCBRA is overseen by a nine- to 13-member board, which also serves as the county's Economic Development Corporation.

OBJECTIVE

The CCBRA exists to provide gap financing support for development and redevelopment projects that are located within Cass County and within a participating municipality, that are eligible under Act 381. This resource is a tool for communities to promote economic and community development priorities in partnership with the private sector. It is the intent of the Authority to use these tools and incentives to support the long-term benefits related to job creation, tax base enhancement, elimination of contaminated properties, etc.

ROLE OF LOCAL UNITS OF GOVERNMENT

The Cass County Brownfield Redevelopment Authority recognizes that, while some overarching themes apply broadly across the county, each local unit is unique, enforces its own zoning laws and has its own land use priorities. As such, the CCBRA will work closely and collaboratively with the Local Unit of Government (LUG) where the potential redevelopment is occurring in a timely manner on items related to Brownfield Redevelopment. The LUG will be sought as an active, affirmative and supportive partner in Brownfield Redevelopment work.

ELIGIBLE PROPERTIES

A property must be considered "Eligible Property" as defined within Section 2 of Act 381, as amended to be eligible for financial incentives under the Act. Properties with real or perceived conditions of environmental contamination, blight, or threats to public health and welfare may be eligible for other program benefits that the CCBRA helps to deploy.

ELIGIBLE ACTIVITIES

The CCBRA is authorized under Act 381 to allow the use of Tax Increment Financing (TIF) revenues to pay for or reimburse public or private costs of "eligible activities" as defined in Section 2 of Act 381. The CCBRA will consider eligible activities that occurred up to one year prior to Authority approval of the brownfield plan.

TAX INCREMENT FINANCING

Tax Increment Financing (TIF) is the primary redevelopment tool authorized under Act 381. TIF does not create a new tax or increase existing tax rates. Instead, it captures a portion of the increase in property tax revenue generated by redevelopment of an eligible property.

Under a Brownfield Plan approved pursuant to Act 381, tax revenues attributable to the property's initial taxable value continue to be distributed to the applicable taxing jurisdictions. The increase in taxable value resulting from redevelopment, known as the "captured taxable value," may be used to reimburse approved eligible activities identified in the Brownfield Plan.

Tax increment revenues may be used only for activities authorized under Act 381 and approved by the CCBRA and all other required governmental entities.

Reimbursement is limited to the amount of eligible costs approved by the Authority and the amount of tax increment revenues actually generated by the project.

COUNTY TAX SHARING POLICY

The CCBRA recognizes that tax increment financing functions through the capture of tax revenues that would otherwise be distributed to taxing jurisdictions. As such, the Authority shall administer Brownfield Plans in a manner that promotes economic development while balancing the financial interests of all affected taxing jurisdictions.

Cass County's participation in Brownfield Tax Increment Financing is governed by the Cass County Board of Commissioners Tax Sharing Policy, as amended from time to time.

The County Board of Commissioners supports participation in tax increment financing programs when such participation promotes economic growth, redevelopment, job creation, environmental improvement, and expansion of the local tax base.

The CCBRA shall coordinate with the County Administrator, County Treasurer, Equalization Department, and other affected County departments as necessary during review of projects seeking capture of County tax revenues.

ADDITIONAL PARAMETERS FOR PROJECTS SEEKING TIF REIMBURSEMENT FOR HOUSING DEVELOPMENT ACTIVITIES THROUGH TH E CCBRA

DEFINITION OF AFFORDABILITY

To determine the income thresholds for rental units and target rents for each AMI level, the CCBRA will use the Income Limits guidance for Cass County provided annually by the Michigan State Housing Development Authority (MSHDA). Generally, the target rents allow families within the determined AMI level to spend 30% or less of their monthly gross income on housing.

DETERMINING TOTAL HOUSING SUBSIDY

The CCBRA will follow MSHDA guidance and formulas to determine the total housing subsidy to be covered by TIF based upon the potential revenue loss between the target rents/mortgage payment

and market rates. CCBRA reserves the right to use its own market data to establish control rents outside MSHDA's provided control rents.

PERIOD OF AFFORDABILITY

Developers of rental properties must maintain a period of affordability on those units prepared for income-qualified households, following the Brownfield Plan, for a period of 10 years, or the length of the TIF capture, whichever is longer.

Properties offered for sale to income qualified households must be retained by that household for five years. If the home is resold within the first five years, the seller would be required to repay the CCBRA funds provided to cover eligible activities. Funds repaid under this process will be used to capitalize the CCBRA Local Brownfield Revolving Fund (outlined below). The proportion of repayment will be scaled gradually over a five-year period as follows:

Home Sold in 1st Year	Home Sold in 2nd Year	Home Sold in 3rd Year	Home Sold in 4th Year	Home Sold in 5th Year
95% repayment	75% repayment	55% repayment	35% repayment	15% repayment

For-sale affordability requirements will be secured primarily through deed restrictions, particularly for those projects seeking MSHDA approval. Developers may request subordinated debt option/affordability rider to secure the affordability requirements.

PROPORTION OF AFFORDABLE HOUSING UNITS

The CCBRA understands the value and impact of mixed-income developments. At a minimum, 20 percent of units (rental or for sale) within a development bust be held by income-qualified households.

CREATION OF LOCAL BROWNFIELD REVOLVING FUND

The CCBRA may establish and capitalize a Local Brownfield Revolving Fund (LBRF) in accordance with Act 381, as amended.

Act 381 permits a Brownfield Redevelopment Authority to capture tax increment revenues during the time period of the Brownfield and/or for up to five (5) years beyond the period necessary to reimburse eligible activities, or both, for the purpose of capitalizing a revolving fund. The CCBRA may utilize this authority to establish a dedicated fund for future brownfield redevelopment activities within Cass County.

Funds deposited into the Local Brownfield Revolving Fund may be used for purposes authorized under Act 381, including but not limited to:

1. Baseline Environmental Assessments
2. Due Care Activities
3. Response Activities
4. Brownfield planning and redevelopment assistance
5. Site investigations
6. Other eligible activities permitted by Act 381

The CCBRA Board shall establish separate policies governing the administration and expenditure of Local Brownfield Revolving Fund resources.

ADMINISTRATIVE COSTS

Act 381 permits the capture of tax increment revenues to reimburse reasonable administrative and operating expenses incurred by the Authority.

Eligible administrative expenses may include:

1. Authority operating expenses
2. Legal services
3. Consulting services
4. Brownfield plan preparation and administration
5. Work plan preparation and administration
6. Environmental review and technical assistance
7. Reporting and compliance activities
8. Public hearing and notice requirements
9. Other costs permitted under Act 381

CAP ON ADMINISTRATIVE COST CAPTURE

Administrative costs shall be capped at the state cap.

INTEREST

Act 381 permits reimbursement of principal and interest associated with obligations issued to fund eligible activities. Approval of interest reimbursement is discretionary and shall be determined by the Authority on a case-by-case basis. The Authority may approve, reduce, cap, or deny reimbursement of interest. Interest shall not be reimbursed solely because an applicant elects to finance eligible activities.

LENGTH OF TAX INCREMENT FINANCING CAPTURE

The Plan will remain in effect for as many years as is required to fully reimburse the Authority and/or Developer for all eligible activities. Following full reimbursement, the Authority may, on a case-by-case basis and subject to approval by the Authority, authorize the continued capture of tax increment revenues for deposit into the Brownfield Revolving Fund for up to five (5) full years, provided that the total duration of the Plan does not exceed 30 years.

APPLICATION REQUIREMENTS

Prior to consideration by the CCBRA, applicants shall submit sufficient information to allow the Authority to evaluate the eligibility and financial feasibility of the proposed project.

At a minimum, applicants shall provide:

1. Documentation of site control
2. Description of existing property conditions
3. Site plans and project renderings, if available
4. Project budget and cost estimates
5. Sources and uses statement
6. Development timeline
7. Documentation of requested eligible activities
8. Any additional information requested by the Authority

APPLICATION REVIEW CRITERIA

The Authority shall consider the following factors when evaluating a proposed project:

1. Eligibility under Act 381, or other programs that the CCBRA may administer from time to time
2. Consistency with local plans and development goals
3. Demonstrated public benefit
4. Economic impact
5. Job creation and retention
6. Tax base enhancement
7. Environmental improvement
8. Redevelopment of blighted, contaminated, historic, or functionally obsolete property
9. Financial necessity of brownfield assistance
10. Developer qualifications and project feasibility

The Authority reserves the right to deny any application that fails to demonstrate a public purpose or sufficient redevelopment benefit.

PROJECT APPROVAL PROCESS

Projects seeking brownfield assistance through a Brownfield Plan shall generally proceed through the following process:

1. Preliminary consultation with Authority and/or consultant
2. Submission of application materials
3. Staff review for completeness and eligibility
4. Coordination with the Local Unit of Government
5. Preparation of Brownfield Plan
6. Recommendation for Adoption by resolution of the Local Unit of Government
7. Approval of Brownfield Plan by the CCBRA and recommendation for adoption by the Board of Commissioners
8. Public hearing conducted in accordance with Act 381
9. Approval of Brownfield Plan by the Cass County Board of Commissioners
10. Submission of work plans to applicable state agencies, if applicable
11. Execution of reimbursement and development agreements

REIMBURSEMENT PROCESS

Eligible expenses shall be reimbursed only after:

1. Completion of the approved eligible activity
2. Submission of supporting documentation
3. Verification by Authority staff and consultants
4. Approval by the CCBRA Board

The Authority will require invoices, proof of payment, lien waivers, certifications, or other documentation necessary to verify eligibility.

Reimbursement shall occur only from available tax increment revenues and shall not constitute a general obligation of Cass County, the Authority, or any participating municipality.

Reimbursements shall be made to only those parties with whom the CCBRA has a Reimbursement Agreement.

ADOPTED: M-127-2026 8-20-2026