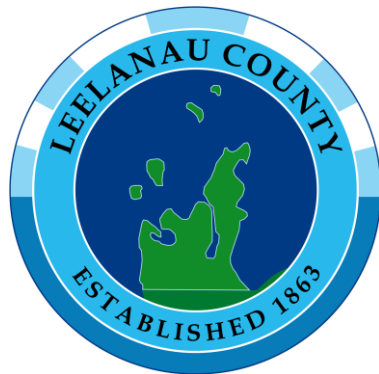


# Bluebird Redevelopment Project Act 381 Brownfield Plan

Leelanau County

Public Hearing: November 21, 2023 – 6pm

County Board of Commissioners Meeting: November 21, 2023 – 7pm



# Outline

- Brownfield Redevelopment Authorities
- LCBRA History
- Brownfield Plans
- Bluebird Redevelopment project
  - Tax Increment Financing in the Plan
  - Benefits to Leland Township, Leelanau County and the Developer
  - Adoption process

# Brownfield Redevelopment Authorities

- Established under the Brownfield Redevelopment Financing Act (PA 381 of 1996, as amended)
- Broad range of capabilities
- Primary use:
  - Provide funding/financing of brownfield eligible activities that may create a project financing gap
    - Brownfield Plans — tax increment financing
    - Secure and implement Grants/Loans — EPA, EGLE, LBRF

# LCBRA History

Leelanau County Brownfield Redevelopment Authority (LCBRA):

- Established in 2007
- **Mission: provide resources and expertise to help investigate, cleanup, eliminate, and return eligible properties to productive use for the benefit of the county, its communities, and its citizens**
- Successful in receiving over \$2 million in EPA grants and multiple EGLE grants and loans
- Leelanau County was awarded a U.S. EPA Brownfield Assessment Grant in May of 2022.
  - \$250,000
  - Grant period: July 1, 2022-September 30, 2025



# Brownfield Plans

- Method to finance eligible activities by capturing local and state tax increment revenue (TIR)
  - Plan term — maximum 35 years
  - TIR capture — maximum 30 years
  - TIR can be used to reimburse developer-incurred eligible brownfield costs
  - TIR can be used to reimburse Authority-incurred (LCBRA) eligible brownfield costs
  - TIR can be used to reimburse loans from Michigan Department of Environment, Great Lakes and Energy (EGLE)
- County Brownfield Plans require concurrence by the local unit of government

# Bluebird Redevelopment Project

- Skip and Lynn Telgard -3<sup>rd</sup> generation
  - Motivated developer
- Functionally Obsolete
  - Determined by Township Assessor
- Demolish and rebuild:
  - Trend → Fast, casual dining/outdoor
  - 100+ outdoor seating/100+ indoor
  - Closer to serene Leland River
  - \$3.4 Million private investment
  - 5-10 part-time jobs created
  - 15 FTE and 10 Part-time jobs retained



# Rendering of Proposed Redevelopment



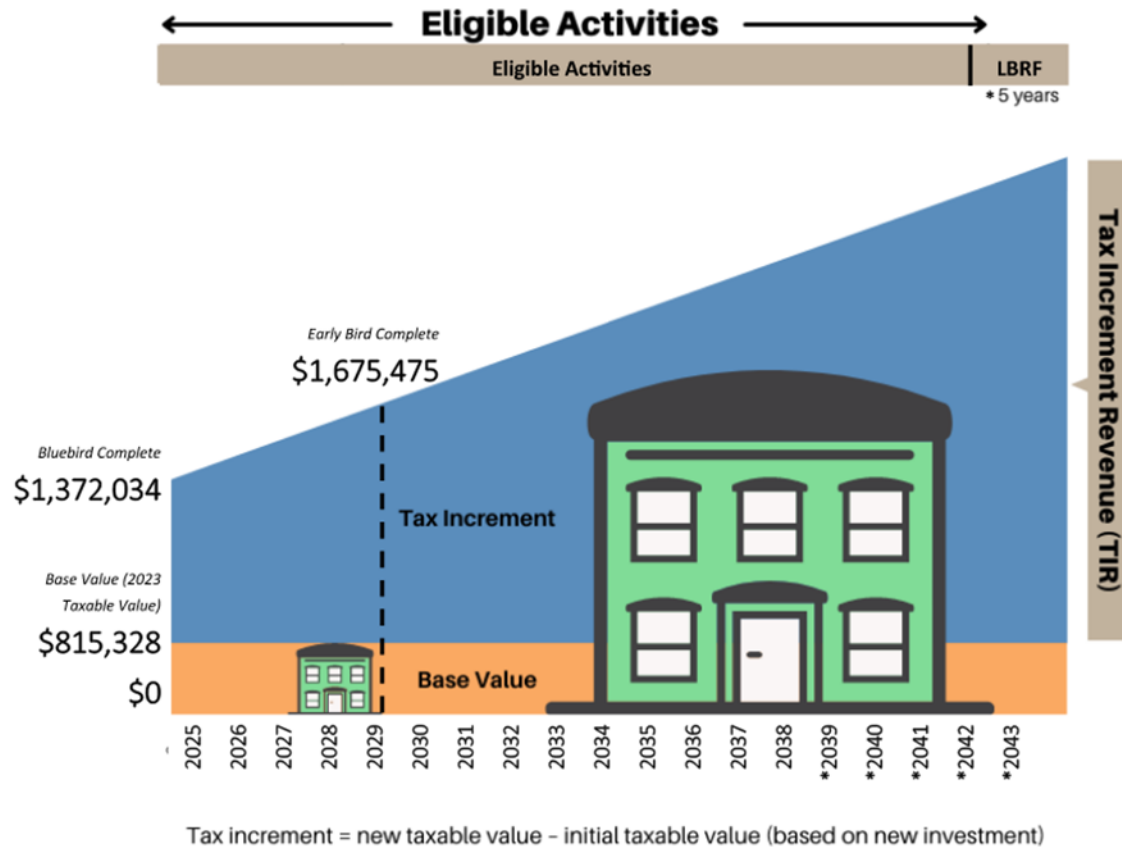
# Early Bird Redevelopment

- Demolish and rebuild (3 years plus)
- 2- Story Mixed use:
  - Retail 1<sup>st</sup> Floor –Existing tenant may remain
  - Residential (2<sup>nd</sup> floor, up to 3 units)
  - \$2.8 Million private investment
  - 3-4 part-time jobs created
  - 12-15 part time jobs retained





# Bluebird Brownfield Plan and Tax Increment Financing



## Example:

- Initial Taxable Value (2023) = \$815,328
- Tax Increment = taxable property value increases from \$815,328 to \$1,372,034 after redevelopment of Bluebird (2025)
  - Anticipated increase to \$1,675,475 after redevelopment of Early Bird (2029)
- Local Jurisdiction tax collection remains the same throughout (based on ITV)
- Tax Increment Revenue = used to pay back “eligible” development costs (est. 14 years)
- Local Brownfield Revolving Fund (LBRF) = Tax Increment capture over last five years is collected by the County and used to fund other BF projects

# Benefits to Leland Township and Leelanau County

- Revitalizing a popular amenity
- Keeps development local (3<sup>rd</sup> generation family)
- Expanding local tax base
- Retaining and adding local jobs
- Investing significant capital into the community

## Benefit to the Developer

- \$216,775 maximum amount of reimbursement
  - Possible through private investment and paying taxes

# Brownfield Plan Adoption Process

- Accomplished - The Leelanau County Brownfield Redevelopment Authority (LCBRA) recommended the Plan for approval on September 19, 2023
- Accomplished-Leland Township Board supported approval of the Plan through a formal resolution (October 9, 2023)
- Current and Final Step - County Board of Commissioners will consider adopting the Plan (November 21, 2023 - 7pm)
  - Requires Public Hearing (November 21, 2023 - 6pm)
  - 10-day advanced notifications
    - Notice of Public Hearing
    - Notification to Taxing Jurisdictions

# THANK YOU!

## Contacts:

Trudy Galla, AICP  
LCBRA Director  
(231) 256-9812  
[tgalla@leelanau.gov](mailto:tgalla@leelanau.gov)

Therese Searles  
Fishbeck  
(269) 342-1100  
[tsearles@fishbeck.com](mailto:tsearles@fishbeck.com)

