

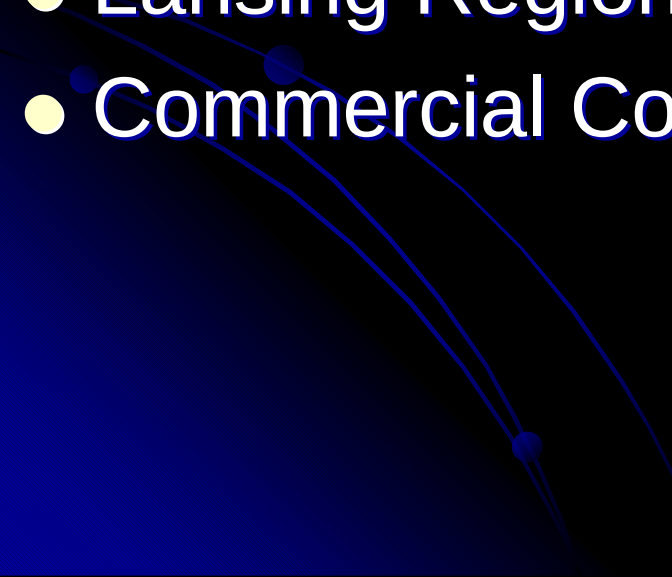
# Economic Development Finance



Mayor Virg Bernero

Lansing Economic Development  
Corporation

# Lansing Economic Development Corporation uses many different tax increment financing tools

- Tax Increment Financing Authority (TIFA)
  - Brownfield Redevelopment Authority (LBRA)
  - Lansing Regional SmartZone (LDFA)
  - Commercial Corridor Impr. Authorities (CIA)
- 

# TIFA

## Financing:

- Joint County/City Court Complex
- Lansing Convention Center Expansion
- Parking Improvements

Recently refunded our protected debt to adjust to lower revenues

# LBRA

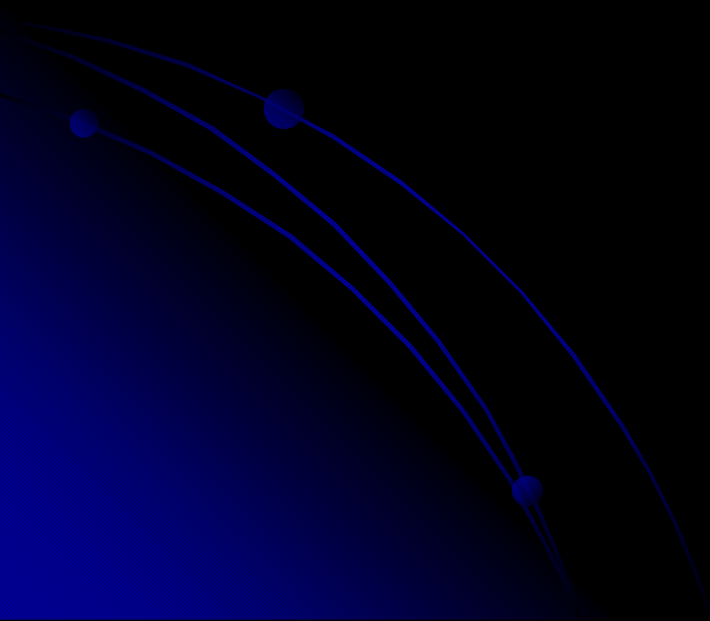
- Established in 1997
- 50 Brownfield Plans Approved
- Most with TIF Capture to reimburse Developer costs
- Have issued one Bond
- Challenge to do TIF with other incentives
- Found a way to do them in the TIFA District

# SmartZone

- Uses a Joint Local Development Finance Authority
- East Lansing is using for a Business Incubator
- Lansing has received a \$2 million grant for infrastructure
- Capture is currently very low

# Corridor Improvement Authorities

- Currently establishing two in the City
- Limited capture available

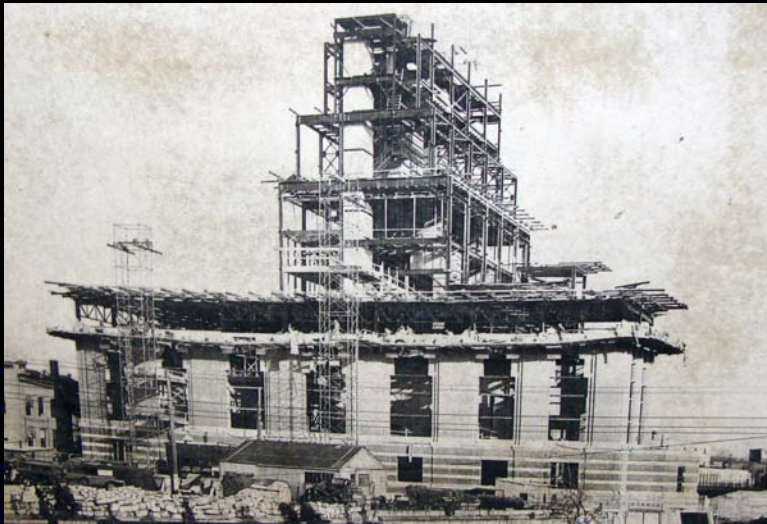


# The Accident Fund Project



# Ottawa Power Station

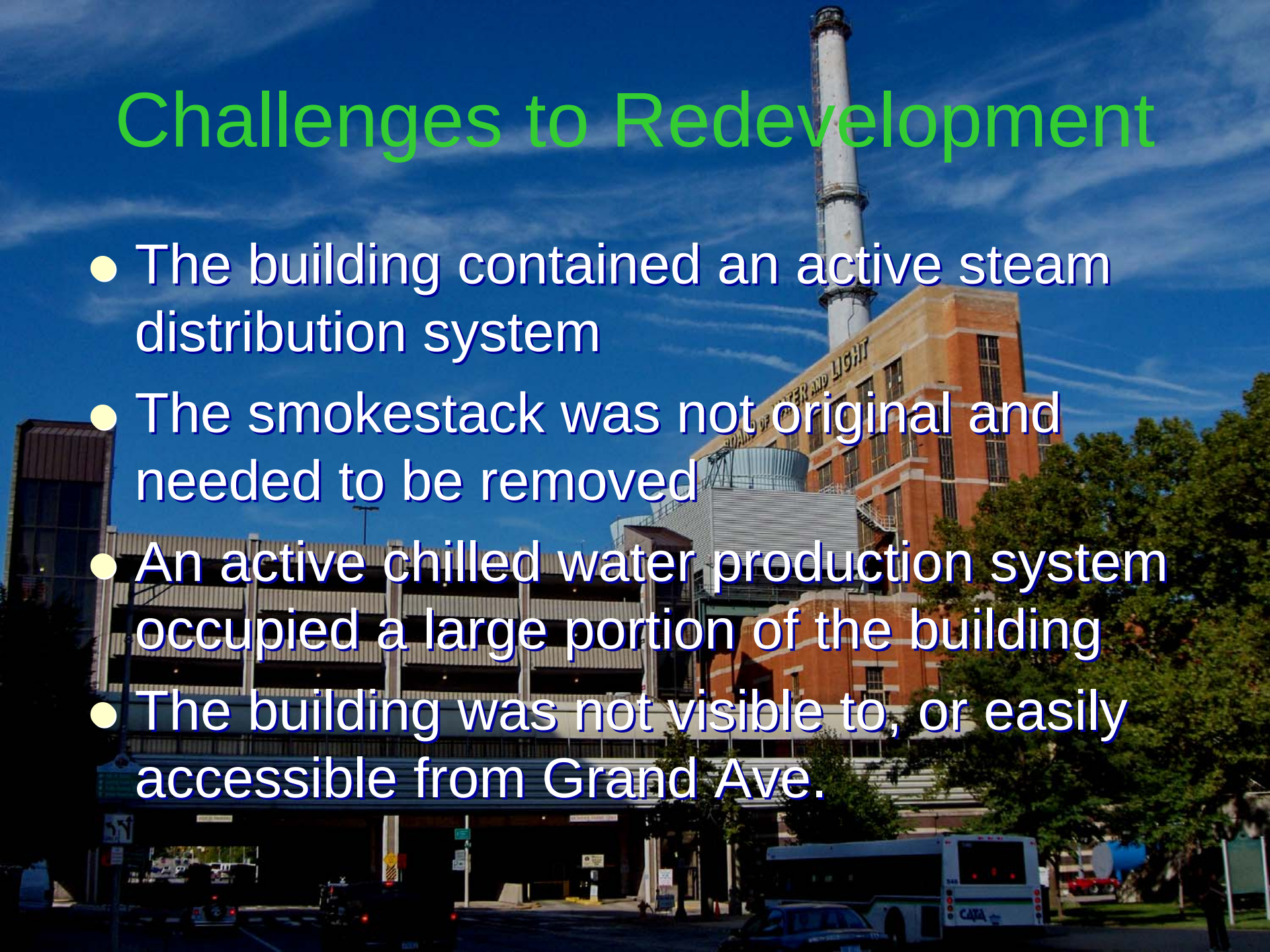
Built in 1937, the plant was once a marvel of technology and design



Vacant for the last 15 years, the plant was a symbol of downtown Lansing's economic stagnation

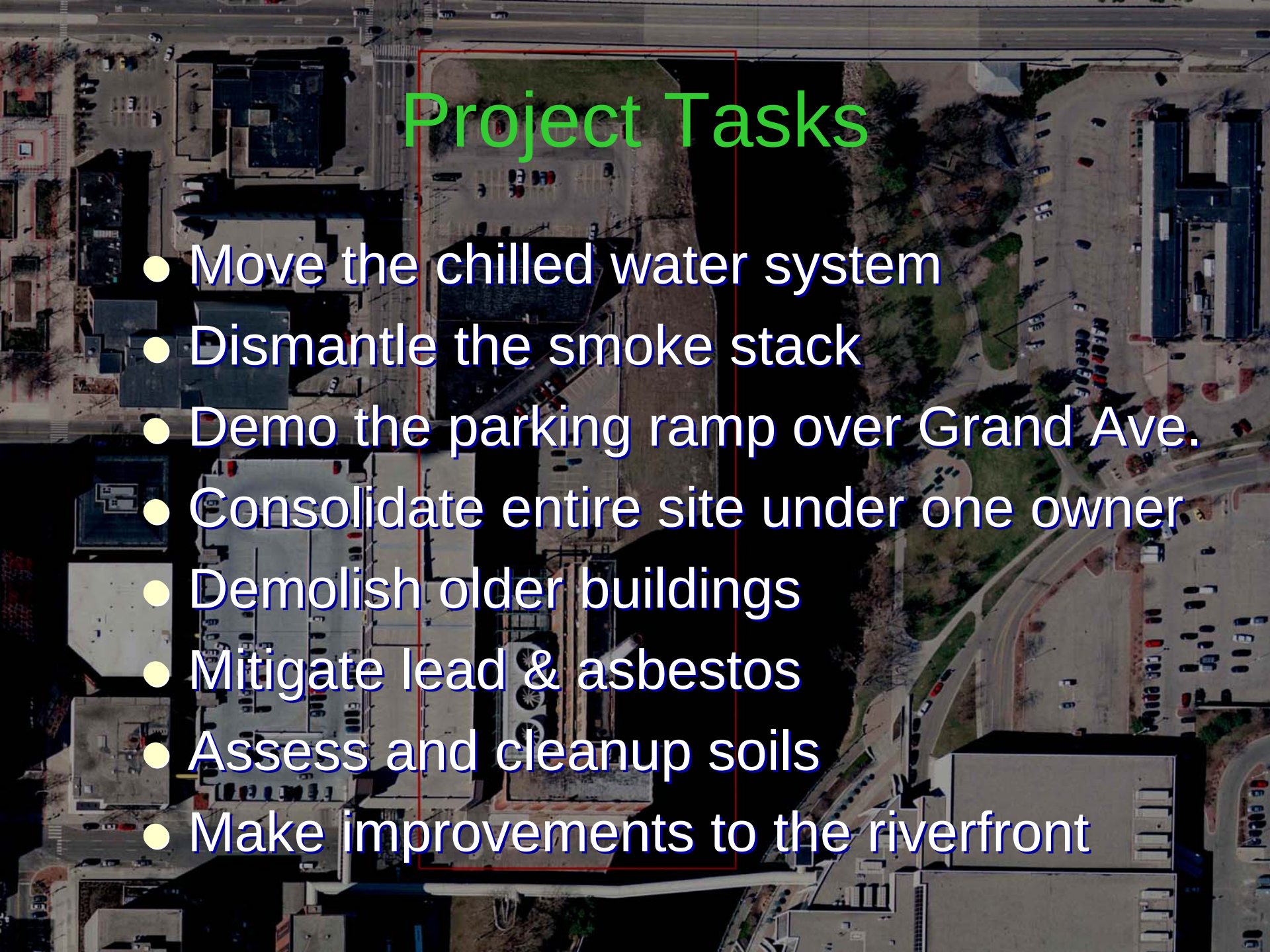
# Challenges to Redevelopment

- The building contained an active steam distribution system
- The smokestack was not original and needed to be removed
- An active chilled water production system occupied a large portion of the building
- The building was not visible to, or easily accessible from Grand Ave.



# More Challenges to Redevelopment

- The LBWL did not own the entire site
- It was critical that a privately owned building within the site be purchased and demolished
- The inside of the entire building was covered with lead paint and the windows contained asbestos caulk
- The river was not accessible from the site

An aerial photograph of an industrial or commercial site. A red rectangular box highlights a central area containing a large, dark, irregularly shaped feature, possibly a pond or a large pile of material. Surrounding this area are various industrial buildings, parking lots filled with cars, and some greenery. The text 'Project Tasks' is overlaid in green at the top of the red box.

# Project Tasks

- Move the chilled water system
- Dismantle the smoke stack
- Demo the parking ramp over Grand Ave.
- Consolidate entire site under one owner
- Demolish older buildings
- Mitigate lead & asbestos
- Assess and cleanup soils
- Make improvements to the riverfront

# Finance and Incentive Tools Used

- Lansing Brownfield Redevelopment Authority TIF
- Brownfield Michigan Business Tax Credits
- Tax Free Renaissance Zone
- Michigan Economic Growth Authority – Tax Credits
- New Market Tax Credits
- State and Federal Historic Tax Credits
- Clean Michigan Waterfront Grant
- U.S. Environmental Protection Agency Assessment and Clean-Up Grants

# Actions Yield Results !

- The Accident Fund selects the site for its new world headquarters
- Approximately \$182 million of investment to renovate the power plant and build another adjacent building
- Over 1,200 jobs created and retained in Lansing, Michigan !!!!!







Mayor Virg Bernero