

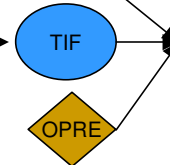
NOTE: This document only focuses on SBT issues pertaining to eligible investments for which a qualified taxpayer will apply for a SBT credit under Sec. 38(g) of Act 143 of PA 2000. It should be noted that a qualified taxpayer may still claim a SBT credit under Sec. 38(d) of Act 382 of PA 1996 for eligible investments made prior to December 31, 2000.

Facility means property that is contaminated above residential criteria.
Functionally Obsolete means property that is unable to be used adequately for its intended purpose.
Blighted means property that has been declared a public nuisance, is an attractive nuisance to children, has permanently ineffective utility infrastructure, or is a tax reverted property.

NOTE: A qualified taxpayer may not have been sued or issued a unilateral order to compel response activity on or to the eligible property by the Michigan Department of Environmental Quality (MDEQ), or may not have received a demand for cost recovery for any state funds expended for response activity on or to the eligible property.

Is the property located in a "qualified local governmental unit" (ie: core community)?

yes



Is the property a "facility", "functionally obsolete", or "blighted"?

yes

no



no

Is the owner/leasee a qualified taxpayer?

no

Not Eligible

yes

Has the local governing body established or concurred to be part of a Brownfield Redevelopment Authority?

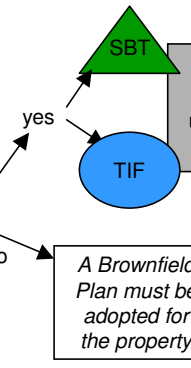
yes

no

Is the property included in an approved Brownfield Plan?

yes

no



Will "eligible activities" be undertaken on the property?

yes

no

NOTE: A project may be eligible for a SBT credit even if TIF is not undertaken.

Continued...

Qualified local governmental unit is a city, township or village which meets specific population and income criteria as described under the Obsolete Property Rehabilitation Act, Act 146 of PA 2000 Section 2(k). **See attached list of 88 qualified core communities.**

Core Communities are eligible to: utilize all three incentive pathways; apply for a SBT credit exceeding \$1 million for projects with investments of more than \$10 million; and, use TIF revenues to reimburse additional eligible activities.

Has the rehabilitation of the obsolete property started prior to establishing the district?

yes

no

Not Eligible

Is the property in an "Obsolete Property Rehabilitation District"?

yes

no

Establish an Obsolete Property Rehabilitation District

Has the property owner filed a complete application for an exemption certificate?

yes

no

Has written notification been given to both the local assessor and the legislative body of each taxing unit levying taxes?

A complete application must be filed

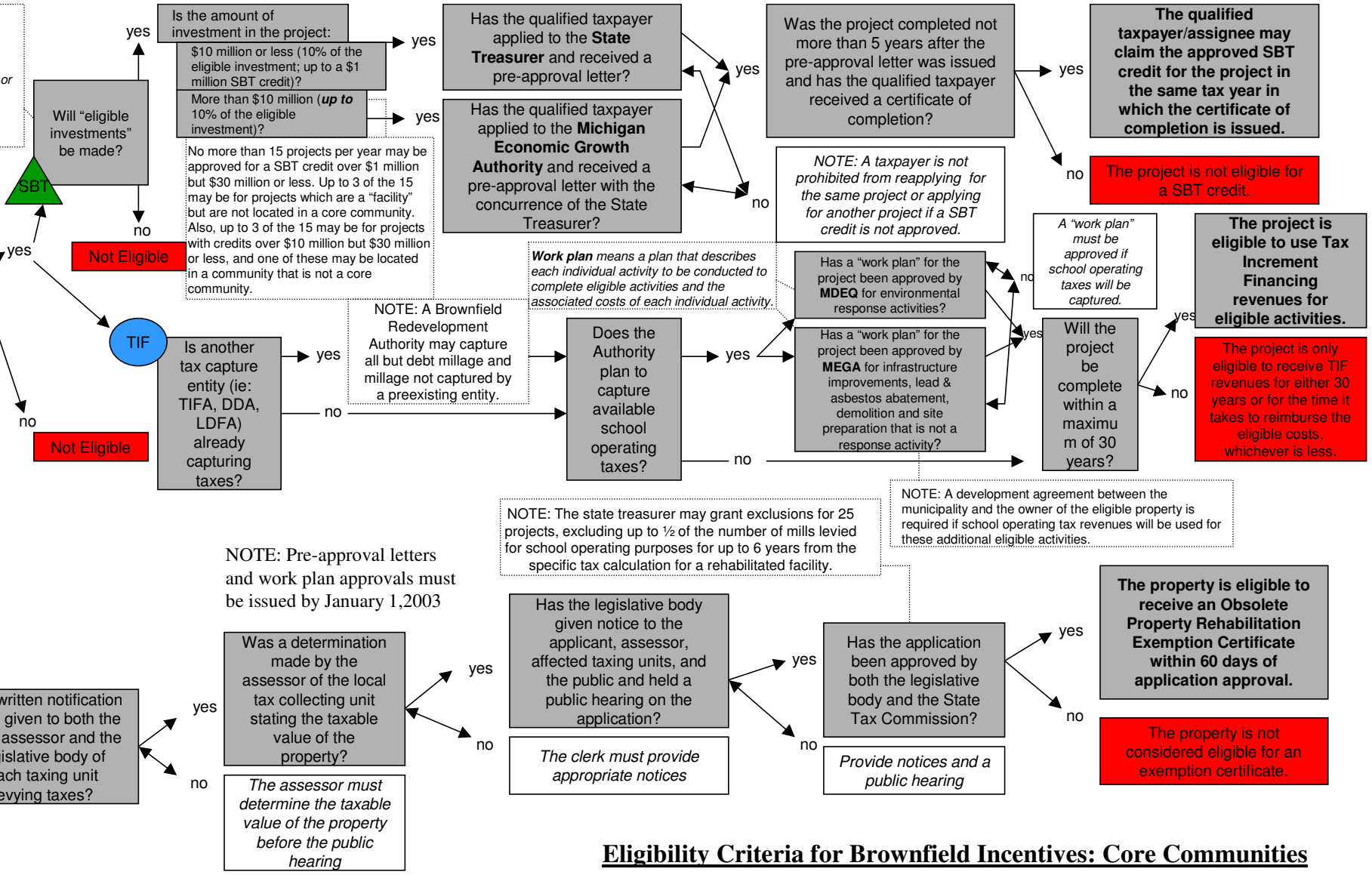
Eligibility Criteria for Brownfield Incentives: Core Communities

Eligible investment means demolition, construction, restoration, alteration, renovation, or improvement of buildings or site improvements on eligible property and the addition of machinery, equipment, and fixtures.

Continued...
Will "eligible activities" be undertaken on the property?

Eligible activities mean baseline environmental assessment (BEA) activities, due care activities, or additional response activities. **Additional eligible activities:** infrastructure improvements, lead & asbestos abatement, demolition and site preparation that is not a response activity.

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Has written notification been given to both the local assessor and the legislative body of each taxing unit levying taxes?



Eligibility Criteria for Brownfield Incentives: Core Communities