



State Incentives for Achieving Clean and Renewable Energy Development on Contaminated Lands

The development of clean and renewable energy on formerly used land offers many economic and environmental benefits. Combining clean and renewable energy and contaminated land cleanup incentives can allow investors and communities to create economically viable clean and renewable energy redevelopment projects. This document provides information about incentives in your state that can be leveraged for clean and renewable energy and development of contaminated land.



Incentives for Clean and Renewable Energy

Funding (grants, loans, bonds, etc.)

21st Century Job Fund

<https://medc.constellagroup.com/>

Provides more than \$1 billion for research and commercialization activities in alternative energy and other high-tech industries. There is no limit on funding requests; the average award is \$1.6 million.

Venture Michigan Fund

www.venturemichigan.com/index2.htm

Provides access to capital to venture capital fund managers that focus on areas including alternative energy technology, high-technology, and healthcare.

Small Business Innovative Resources (SBIR)/Small Business Technology Transfer (STTR) Emerging Business Fund

http://ref.michigan.org/medc/ttc/21stCentury/SBIR_STTR/

Available funding under this program has been exhausted; however, future programs are in the development stage. Updated program information will be posted to the above web site.

Tax Incentives (abatements, deductions, credits, etc.)

Renewable Energy Renaissance Zones

<http://ref.michigan.org/medc/services/sitedevelopment/renzone/>

Provides tax abatement and credits for up to 15 years to renewable energy facilities located in Renaissance Zones against local real and personal property taxes, the state property tax levy for schools, applicable city corporate income taxes, the Detroit utility users tax, and the single business tax (SBT).

Michigan NextEnergy Authority (MNEA)

<http://ref.michigan.org/medc/cm/attach/F815CBED-04EB-4D6D-98C0-E0634C2536D0/MI%20NextEnergy%20Authority%20Fact%20Sheet.pdf>

MNEA Michigan Single Business Tax (SBT) Credit

Provides a nonrefundable credit against SBT liability for business activities and property related to the research, development, and manufacturing of alternative energy technologies.

MNEA General Property Tax Credit

Provides a 100% personal property tax exemption through 2012 for property certified as Alternative Energy Personal Property. There is a 2 MW limit for single alternative energy systems and a 10 MW limit for combinations of technologies (except for wind, photovoltaics and fuel cells, which have no capacity limit).

MNEA Alternative Energy Zone (AEZ) Tax Credits

Provides Renaissance Zone tax benefits and a refundable payroll credit on the SBT to businesses that promote the research, development, and manufacturing of Alternative Energy Technologies within the Detroit AEZ.

Michigan Economic Growth Authority (MEGA) High-Tech Job Creation Tax Credits

<http://ref.themedc.org/cm/attach/A554001C-51A5-4889-8B5E-1CC2F3AF0DA7/MEGATaxCredit.pdf>

Provides a refundable tax credit equal to 100% of the personal income tax generated by new workers, for up to 20 years, against the Michigan Business Tax to alternative energy technology businesses.

Technical Assistance and Other Incentives

<http://ref.michigan.org/medc/ttc/Alternative.Energy/Resources.Partners/>

Michigan provides an array of resources and partners to encourage alternative energy research and development (see above web site).

Net Metering

Allows net metering for systems that generate less than 30 kW of electricity using solar, wind, geothermal, biomass, or hydropower, up to 0.1% of a utility's peak load or 100 kW (whichever is greater).

Quick Facts

Public Benefit Fund (PBF)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Renewable Portfolio Standard	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
7% by 2016		
Net Metering	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Interconnection Standards	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Electric Power Industry Generation by Primary Energy Source (EIA, 2006)

Petroleum	0.4%	Nuclear	25.8%
Natural Gas	10.0%	Hydroelectric	1.4%
Coal	60.2%	Other Renewables	2.2%

Points of Contact

MEDC, www.themedc.org

21st Century Job Fund

Michael Shore, shorem2@michigan.org, (517) 241-2271

Venture Michigan Fund

Robert Payne, bob.payne@credit-suisse.com, (248) 619-1868

Renewable Energy Renaissance Zones

Sue Carlson, carlsons@michigan.org, (517) 335-0664

MNEA Programs, NextEnergy Center

Dan Radomski, danr@nextenergy.org, (313) 833-0100 Ext.150

MEGA Tax Credits, Valerie Hoag, hoagv@michigan.org, (517) 335-1951

Michigan Public Service Commission (Net Metering)

www.michigan.gov/netmetering, (517) 241-6180



Incentives for Development of Contaminated Land



Funding (grants, loans, bonds, etc.)

Michigan Department of Environmental Quality (DEQ) Brownfields Redevelopment Grants and Loans

www.deq.state.mi.us/documents/deq-essd-grantsloans-catalog.pdf

Clean Michigan Initiative (CMI) Brownfield Redevelopment Grants (CMIBRG) and Site Reclamation Program Grants (SRG)

Provides grants up to \$1 million to local units of government and brownfields redevelopment authorities to investigate and remediate contaminated sites that will be used for identified economic redevelopment projects. CMIBRGs are funded through the CMI Fund and SRGs are funded through the Environmental Protection Bond Fund of 1988.

CMI Brownfield Redevelopment Loans (CMIBRL) and Revitalization Revolving Loans (RRL)

Provides low-interest loans up to \$1 million to local units of government and brownfields redevelopment authorities to investigate and remediate sites of known or suspected environmental contamination. Current interest rate is 2%, with no payment or interest due for the first five years of a 15 year repayment period.

Tax Incentives (abatements, credits, deductions, etc.)

Tax Increment Financing (TIF)

www.michigan.gov/deq/0,1607,7-135-3311_4110_23246-63525,00.html

Provides the authority to communities to create Downtown Development Authorities (DDAs), Local Development Financing Authorities (LDFAs), Tax Increment Financing Authorities, and Brownfield Redevelopment Authorities (BRAs) to use TIF to capture and reinvest tax revenue in designated areas to finance eligible activities, including baseline environmental assessments. Within Core Communities, TIF can also be used to fund demolition, public infrastructure, site preparation and lead and asbestos abatement. Unlike other Michigan tax increment financing tools, the Brownfield Program allows for the capture of both local and school taxes.

Brownfield Michigan Business Tax Credit

<http://ref.michigan.org/medc/services/general/cat/guide/index.asp>

Provides a tax credit for up to 12.5% of project hard costs (up to a limit of \$10 million) against the SBT liability for eligible redevelopment investments on property that is identified in a BRA plan as contaminated, or, in a core community, as contaminated, blighted or functionally obsolete.

Obsolete Property Rehabilitation Act Tax Abatement

<http://ref.michigan.org/medc/services/general/cat/guide/index.asp>

Freezes the existing taxable value on a designated facility for up to 12 years for eligible projects on an obsolete property in approved Obsolete Property Rehabilitation Districts.

Personal Property Tax Relief in Distressed Communities

<http://ref.michigan.org/medc/services/general/cat/guide/index.asp>

Allows communities to exempt new personal property from taxes if located in a designated area.

Limitations on Liability

www.epa.gov/brownfields/pubs/bf_states_r5.pdf

Provides an exemption from liability for existing contamination upon completion and submission of a Baseline Environmental Assessment (BEA) within 45 days of purchase with the Department of Environmental Quality.

Quick Facts

Limitations on Liability Yes No

Number of State-Tracked Contaminated Properties: 1,893

Includes Brownfields-USTfields sites, state-nominated and state-funded cleanup sites, and sites that have been redeveloped using the Baseline Environmental Assessment process

Number of EPA CERCLIS Sites: 360

Sites identified for potential investigation under the federal Superfund Program

Number of EPA Brownfields Properties: 1,196

Properties being funded or addressed under the EPA Brownfields Program

There may be some overlap among the categories listed and sites listed may not represent all potentially contaminated sites in Michigan.

Points of Contact

DEQ Brownfields Redevelopment Grants and Loans, TIF
Susan Erickson, ericksons@michigan.gov, (517) 241-8707

Brownfield Michigan Business Tax Credit, Obsolete Property Rehabilitation Act Tax Abatement, Personal Property Tax Relief in Distressed Communities
Joe Martin, (517) 241-8378