

One Number Can't Tell A Story:

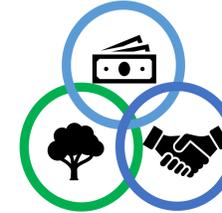
Developing a Comprehensive ROI Measure for MDEQ's Brownfield Program

James Garry | Master of Public Policy | Michigan State University

Guiding Principles: Michigan Department of Environmental Quality



- ❖ Leaders in environmental stewardship
- ❖ Partners in economic development
- ❖ Providers of excellent customer service



What is a Brownfield Property?

A site where reuse or redevelopment may be complicated by the presence or perception of contamination.

These principles can be conflicting, with the regulatory agency balancing complex and divergent goals

Traditional Return on Investment Measures

- ❖ Change in property value
- ❖ Private investment spurred
- ❖ Number of jobs created

Improving ROI: Building a New Measure

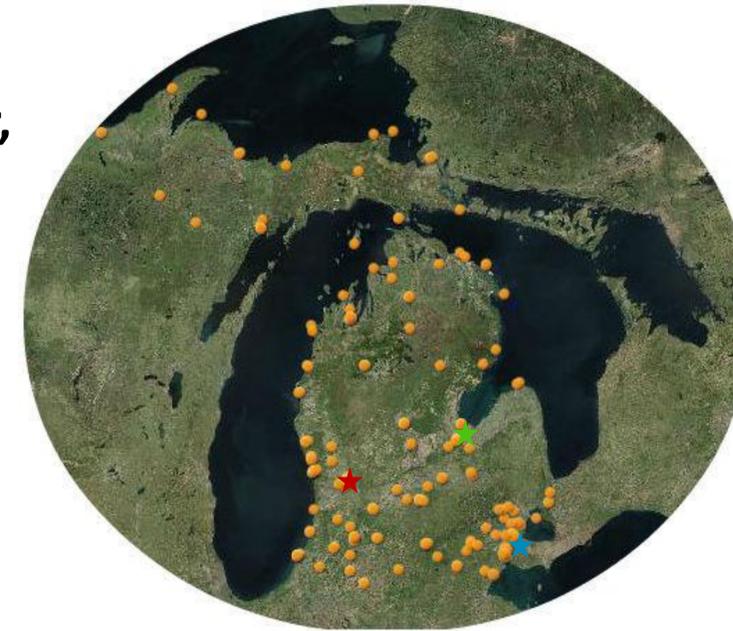
In addition to economic factors, a robust ROI also considers environmental and social metrics like:

- ❖ Project type by proposed land use
- ❖ Project likelihood without MDEQ funding
- ❖ Environmental impact relating to water, air, and soil risks and mitigation
- ❖ Community and social benefits

Brownfield Sites ● Over 120 sites have been redeveloped with 1998 CMI Bond Funds

MSU Research Center, Grand Rapids ★

- ❖ Biomedical Research Facility with \$85 Million+ in private investment
- ❖ High community and economic impact



Uptown at River's Edge, Bay City ★

- ❖ Removed contaminants after 100+ years as an industrial site
- ❖ Riverwalk revitalized downtown and reconnected the community and the waterfront



Orleans Landing, Detroit ★

- ❖ Mixed-Use space, with 20% of units as affordable housing
- ❖ Environmental Assessment, VI mitigation, removal of contaminated soil and USTs

The Next Evolution in Evaluation

- ❖ In addition to economic returns, projects will be evaluated on societal and environmental returns using the developed scorecard
 - ❖ MDEQ can integrate all three of its guiding principles and balance conflicting demands
- ❖ The evaluation will be added to existing review processes, allowing it to be implemented with minimal disturbance and maximum impact
 - ❖ ROI of completed projects can serve as a proxy for similar projects being considered for future funding