



STATE OF MICHIGAN  
 DEPARTMENT OF ENVIRONMENTAL QUALITY  
 JACKSON DISTRICT OFFICE



JENNIFER M. GRANHOLM  
 GOVERNOR

STEVEN E. CHESTER  
 DIRECTOR

March 3, 2006

Ms. Jessica Eisenman, Brownfield Redevelopment Authority  
 Washtenaw County  
 705 North Zeeb Road  
 Ann Arbor, Michigan 48107-8645

Dear Ms. Eisenman:

**SUBJECT:** Act 381 Work Plan Review for the Former Ypsilanti Psychiatric Hospital  
 York Township, Washtenaw County

The Department of Environmental Quality (DEQ) has completed a review of the work plan for the Former Ypsilanti Regional Psychiatric Hospital, Washtenaw County, Michigan, which was submitted to us on February 10, 2006 for approval pursuant to the Brownfield Redevelopment Financing Act, 1996 PA 381, as amended (Act 381), MCL 125.2665.

Upon consideration of relevant factors identified in Section 15(4) of Act 381, and based upon representations and information contained in your submittal, the DEQ approves the plan for the: Due Care activities; and additional response activities that include decommissioning the vehicle maintenance area, security fencing, pre-demolition structure abatement, abandonment of water supply wells and assessment/mitigation of uncontrolled fill for geotechnical stability.

Pursuant to Section 15(10) of Act 381, the DEQ's approval or rejection of a work plan or remedial action plan is final.

Please note that in making this determination, the DEQ is not making any findings about exemptions to liability under Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. In addition, approval of your proposed Due Care activities is not a guarantee that the agency will issue an affirmative response to a petition for determination of Due Care adequacy upon their completion.

A copy of all reports and findings must be furnished to the DEQ District Office project manager.

The total amount of this work plan approved for capture of tax increment revenues, including taxes levied for school operating purposes, is limited to \$4,890,000. Of this amount, no more than \$2,648,424 shall be from taxes levied for school operating purposes, which is the ratio of school taxes to local taxes levied on the eligible property.

	\$2,648,424 School Tax Capture (54.16%)
	+ \$2,241,576 Local Tax Capture (45.84%)
	<u>\$4,890,000 Total</u>

Only those activities undertaken after the date of this approval are eligible for capture of taxes levied for school operating purposes. If activities, in addition to those approved above, are determined to be necessary and/or if the approved costs will be exceeded, prior DEQ approval is necessary. Please be advised that the amount of tax capture is limited to actual expenditures with the exception of excess capture allowed for deposit into the local site remediation revolving

fund, if appropriate. Capture of tax increment revenues from the eligible property shall be in accordance with Section 13(2) of Act 381. Adequate records should be maintained for auditing purposes and be made available to the State upon request.

Pursuant to Section 13(8) of Act 381, the DEQ may pursue cost recovery for response activity costs paid for with tax increment revenues from persons who are liable for the costs of the eligible activities at the eligible property.

The cost to the State for conducting this review will be determined and identified to you via separate correspondence for reimbursement as provided by Section 15(11) of Act 381. Please contact this office if you have any questions, or if we can be of further assistance. The project manager for this project is Ms. Vicki Katko, who can be reached at 517-780-7914.

Sincerely,



Mitchell Adelman  
District Supervisor  
Remediation and Redevelopment Division  
517-780-7852

MAVK/KJ

cc: Ms. Amy Banninga, Michigan Economic Development Corporation  
Mr. Vern Taylor, Michigan Economic Development Corporation  
Mr. Tom Cok, Mannik & Smith Group  
Ms. Dianne Wright, Michigan Department of Treasury  
Ms. Michelle Stratz, DEQ [Project # 456248-81]  
Ms. Darlene Van Dale, DEQ  
Mr. R. Dowe Parsons, DEQ/File  
Ms. Vicki Katko, DEQ