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Office of the Auditor General

Report Summary

Performance Audit

Report Number:
186-0420-17

Brownfield Redevelopment Financing Program

Department of Environmental Quality (DEQ) and Michigan Strategic Fund (MSF), Department of Talent and Economic Development

Released:
February 2018

The Brownfield Redevelopment Financing Act authorizes municipalities to create brownfield redevelopment authorities to promote revitalization of eligible properties through the use of tax increment financing (TIF). The Act prescribes the powers and duties of, and the related requirements and criteria for, the brownfield redevelopment authorities, DEQ, and MSF. This performance audit was required by Section 125.2666(6) of the *Michigan Compiled Laws*.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of DEQ's and MSF's administration of brownfield redevelopment authority work plans.			Effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		

Audit Objective			Conclusion
Objective #2: To assess the effectiveness of the Brownfield Redevelopment Financing Program to promote revitalization of eligible property through the use of TIF.			Effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		

Audit Objective			Conclusion
Objective #3: To assess DEQ and MSF's compliance with statutory reporting requirements.			Complied
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Statutory amendments are needed to establish oversight and enhance annual reporting (<u>Observation #1</u>).	Not applicable for observations.		

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