

Portage Point Inn plans approved by brownfield authority

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MANISTEE COUNTY — Plans for environmental and developmental work at the Portage Point Inn brownfield site were approved on Wednesday by the Manistee County Brownfield Authority.

The work plans and brownfield plan will now head to the Michigan Department of Environmental Quality (DEQ) and the Michigan Strategic Fund (MSF) for approval of the maximum budget for brownfield cleanup.

“I think it’s a great opportunity to get the Portage Point Inn back in business,” said Rachelle Rollenhagen, chair of the brownfield authority. “It’s a historical, beautiful building and it’s been in the community for years. I’m glad to see this happening. I wish them luck. We’re happy that this helps them financially.”

The estimated total budget for clean up is \$677,000, which is the maximum amount that the owner of Portage Point Inn could be reimbursed if the plan is approved and the contamination is removed.

Reimbursement would be done through the capture of increased taxes due to investment in the property. It’s estimated that the reimbursement would be complete after 11 years.

The DEQ is responsible for the environmental contamination portion, such as lead that was discovered in soil near buildings. The estimated total reimbursement for finding all the lead, removing it and disposing of it, is about \$212,000.

MSF is concerned with health and safety contamination inside buildings, such as lead paint. Lead paint was found in some buildings, along with asbestos in roofing, window caulk and in the glue under linoleum. In addition, MSF activities include demolition, which would only be on interior, non-historic walls, said Mac McClelland, brownfield manager with Otwell Mawby. The estimated reimbursement is \$464,000.

The total investment in the brownfield portion of the property is \$4.5 million. The resort includes 23 parcels, and 19 are part of the contaminated area.

In total, the investment on the property will be about \$19 million, McClelland said.

“It’s a pretty good deal for everybody,” he said.

The reimbursement for the brownfield clean up and other eligible activities would be through the capture of the increased taxes on the property, and without the reimbursement option there would be no investment, he said.

Without investment, the value of the property would continue to decline, and so would tax revenues to the state, schools and local governments, McClelland said. With this, after 11 years, taxes will go up to be in accordance with the new value.

The owner of the property, Windfall Landings LLC and Bob Gezon, will front the money for the clean up, and will only be reimbursed if there is investment in the property afterward, McClelland said.

Manistee County, Onekama Township, Manistee County Intermediate School District, West Shore Community College, the state and all other taxing jurisdictions will continue to receive tax money during the reimbursement period at the current rate. Currently, the property generates about \$32,000 a year in taxes, McClelland said.

“Reopening this business means a lot to Onekama and the surrounding area,” he said.

The resort will have about 125 full-time employees, and is expected to generate spin-off businesses as a result of tourism, McClelland said.

The state departments should send word on the plans by May 21, he said. After that, clean up activities can start at any time.

In addition, Gezon plans to present his master plan for renovations to the Onekama Township Board of Trustees meeting on April 1. The meeting begins at 9 a.m. in the township hall, located at 5435 Main St. in Onekama