

What are States Considering for 2009, 2010?

- Refundable tax credits for cleanup
- Additional bond enhancements/assurances (similar to PA TIF guarantees)
- State pension fund investments in brownfield projects
- Assessment/cleanup/due diligence assistance to “mom-and-pop” PRPs (as part of a business retention/succession strategy)
- Incentives for social/community/”green” uses for brownfield properties – as health centers, cultural institutions, “brightfields”, etc.
- Clarifying/emphasizing/adding brownfield needs in economic development program eligibility criteria
- Targeted adjustment assistance with a “brownfield spin” – for commercial and industrial business closures



2nd Prediction: Local Efforts Will Diversify, Become More Creative

Emerging local brownfield activism, as communities creatively tap and combine various programs, expedite local brownfield processes – by:

- Targeting infrastructure/public works programs
- Linking housing and community development programs
- Using tax incentives and penalties to encourage brownfield activities
- Encouraging public and private process strategies to enhance brownfield efforts

Options that cities are exploring now...

- Streamlining and better targeting traditional incentives to brownfields –
 - *Tax forgiveness, deferrals, special taxing/dev. districts*
- Earmarking water, sewer, and wastewater charges for brownfield cleanup
- Devoting monies raised from fees or fines to a brownfield financing pool or RLF
- Using tax liens, nuisance ordinances to “encourage” private site cleanup and reuse
- Taking a more proactive approach to brownfield redevelopment, via zoning or marketing strategies

Options that cities are exploring now...

- Using existing economic/business development program funds for site assessment and cleanup activities
- Expedited permitting, property transfers
- Taking more sophisticated approaches to dealing with risk – insurance pools, forming intermediaries
- Establishing city VCPs
- Promoting multiple site/combined site process approaches



3rd Prediction: Federal efforts will continue/evolve, and new partnerships will take shape

Use of federal programs will evolve – and leveraging opportunities will grow

- Unconventional players like USDA, DOT, ACE will take a more prominent role
- Tax incentives will more creatively deployed
- New agency efforts will be better targeted and integrated
 - *infrastructure/utilities*
 - *green buildings, energy efficiency, structural rehabilitation and adaptive reuse*
 - *amenities that enhance site value*



Stimulus Opportunities Still Out There – Potential Brownfield Linkages

- Additional \$3.5 billion NMTC allocations for 2009
- \$1.6 billion in renewable energy/energy conservation bonds
- \$10 billion in taxable “recovery zone” bonds
- \$15 billion in tax-exempt “recovery zone facility” bonds
- Expanded IDB eligibility for “manufacturing-related” facilities (thru 2010)



4th Prediction: Progress Will Continue, but Challenges Will Remain

Congress will explore modifying and improving federal programs linked to brownfield efforts:

- Program modifications – HUD, EDA
- ***Recycled efforts*** -- Tax incentives – cleanup tax credits, enhanced rehab credits, brownfield expensing
- ***New initiatives*** -- Sustainability, vacant properties, energy and transportation connections
- Appropriations



Brownfield legislative proposals -- stumbling blocks to overcome

- ***Re: HUD/development issues*** -- lack of “front burner” interest, momentum to work through issues, push a proposal
- ***Re: tax proposals*** -- not enough legs to stand on their own, concerns over revenue impacts, no comprehensive tax bill to attach to
- ***Re: highway, “green”*** – limited knowledge of potential “win-wins,” linkages

Need – to light fires, educate



Brownfield Program Reauthorization in the 111th Congress – Teeing Up for 2010

**What Changes
Are Being
Considered?**



**What Could
Improve
Brownfield Reuse
Efforts?**



Brownfield Program Reauthorization: Primary Stakeholder Goals

- Program streamlining to enhance local project flexibility
 - *Providing funding that better meets brownfield needs*
 - *Making grants work better*
- Addressing mothballed brownfield properties
- Promoting new brownfield priorities in a tight marketplace

And recent Hill history with them...

- Favorable ☺ or unfavorable ☹

Potential Program Changes

1) Funding that better meets brownfield needs...

- **Permit larger cleanup grant amounts ☺**
 - *Up to \$1 million*
- **Authorize multi-purpose grants, for an expanded range of site clearance/preparation activities ☺ ?**
 - *For assessment, cleanup, demolition, removal, etc.*
- **Make non-profits eligible for all types of grants ☺**
- **Authorize “bonus grants” for all types of grants ☺**
 - *Up to \$100,000 for “green brownfield” grants*
- **Increase total program funding ½ ☹**
 - *\$350 million in FY2009, increasing to \$600 million by FY2012*

Potential Program Changes

2) Making brownfield grants work better...

- **Eliminate petroleum grant set-aside, RP/risk barriers to petroleum brownfields ☹**
 - *Applicants need not show site is “low risk” with “no viable responsible party” tied to it*
- **Establish a state brownfield insurance program start-up matching grant program ☹**
 - *\$200,000 grants for planning, \$2 million for operating*
- **Allow grants for sites acquired pre-enactment ☹**
 - *AAI need not be demonstrated as long as applicant did not cause or contribute to contamination*

Potential Program Changes

3) *Enhance IC and liability relief processes – to promote interest in mothballed sites...*

- **Mandate state institutional control programs ☹**
 - *Required plan re: monitoring/enforcing ICs*
- **Extend protections to innocent long-term lease holders ☺ / ☹**
- **Provide 3rd party protection to “good samaritans” ☹**
 - *CERCLA exemption for non-labile parties contributing to cleanup without taking title*

Potential Program Changes

3) *Enhance IC and liability relief processes – to promote interest in mothballed sites...(cont.)*

- **Allow CERCLA exemption for acquisition by innocent states/localities ☹**
 - *For governments that did not cause/contribute to contamination, and exercise due care*
- **Give RCRA relief to innocent parties ☹ ☹**
 - *For sites thru state VCP, prospective purchaser, enforcement bar provisions like CERCLA bar*



*The last word: Progress Will
Continue, but Challenges Will
Remain*

**75,000 success stories out
there...
out of an estimated 1million
brownfield sites nationwide**

1 million brownfields: from this...



Baraboo, WI



Bend, OR



Somerville, MA



New London, CT

...to this -- some of the 75,000 success stories



Baraboo, WI



Bend, OR



Somerville, MA



New London, CT



*The last word: Progress Will
Continue, but Challenges Will
Remain*

Only 925,000 to go!!



Thank
you!

*If you have questions...
If you need additional information....*

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