

Indiana Brownfields Program

Incentives: Financial, Legal, & Technical Assistance



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BSU/TAB : *Brownfields Resources and Partners*
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Presentation Overview

- What's the bad news? – brownfields can be obstacles
- What's the good news? – incentives can help overcome obstacles
- Who needs financial, legal/liability, and/or technical assistance?
- What is the Indiana Brownfields Program and how can it help?
- What are some take-home points & next steps?



Obstacle? Opportunity? Brownfield?





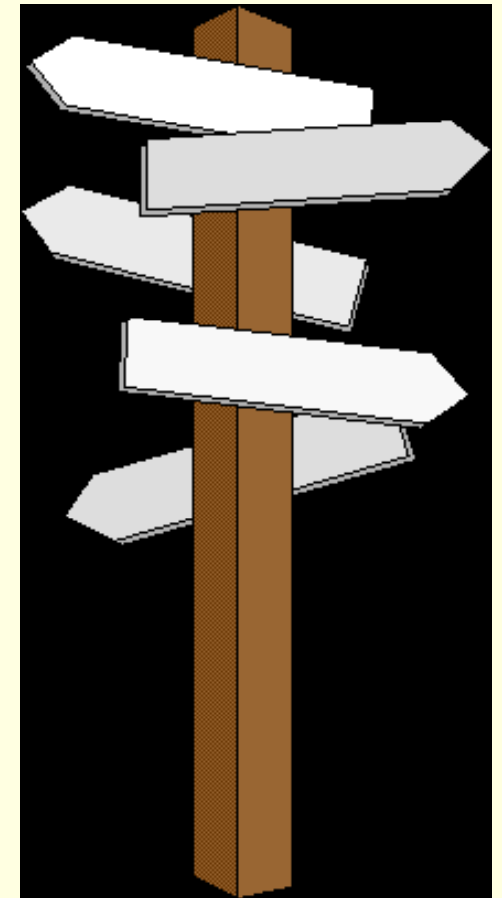
What is a Brownfield?

- Indiana defines a brownfield site as:
 - a parcel of real estate
 - abandoned, inactive, or underutilized
 - on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product



Issues with Brownfields

- **Science**
 - *Environmental contamination factor*
 - Private environmental consultant & IDEM opinions on technical aspects
- **Law**
 - Liability fears
- **Real Estate**
 - Property reuse & transfers
 - Brownfields vs. Greenfields
- **Politics**
 - Competing priorities of local governments
- **Socio-economics**
 - Tax base in blighted areas
 - Jobs
- **Art**
 - Understanding & coordination of multi-disciplines
 - Creativity





What are Obstacles to Brownfield Redevelopment?

- Real or potential environmental contamination
- Assessment / Cleanup costs
- Liability issues for the lender, prospective purchaser, and third parties
- Economic development climate
- Viability of re-use plans for the site
- Unknowns – risks, ownership, access
- Lack of resources – knowledge, money, partners



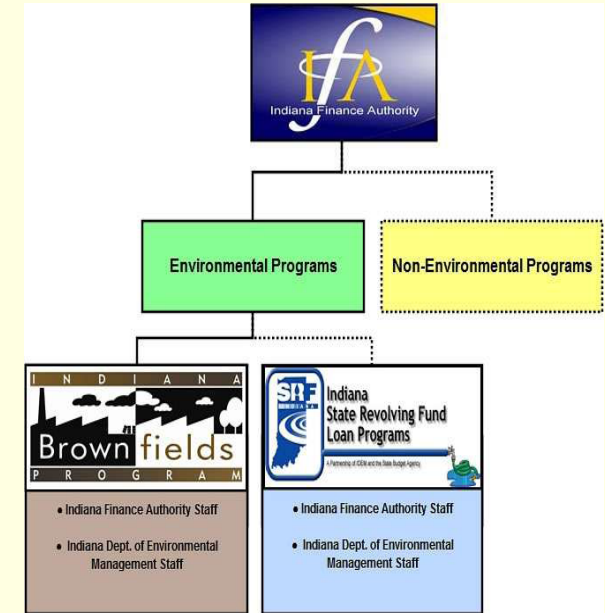
Stakeholders/Partners

- State and Federal Government Agencies – Public
- Local Government – Public
- Local/State Interest Groups – Private & Public
- Local Business Organizations – Private & Public



Indiana Brownfields Program Background

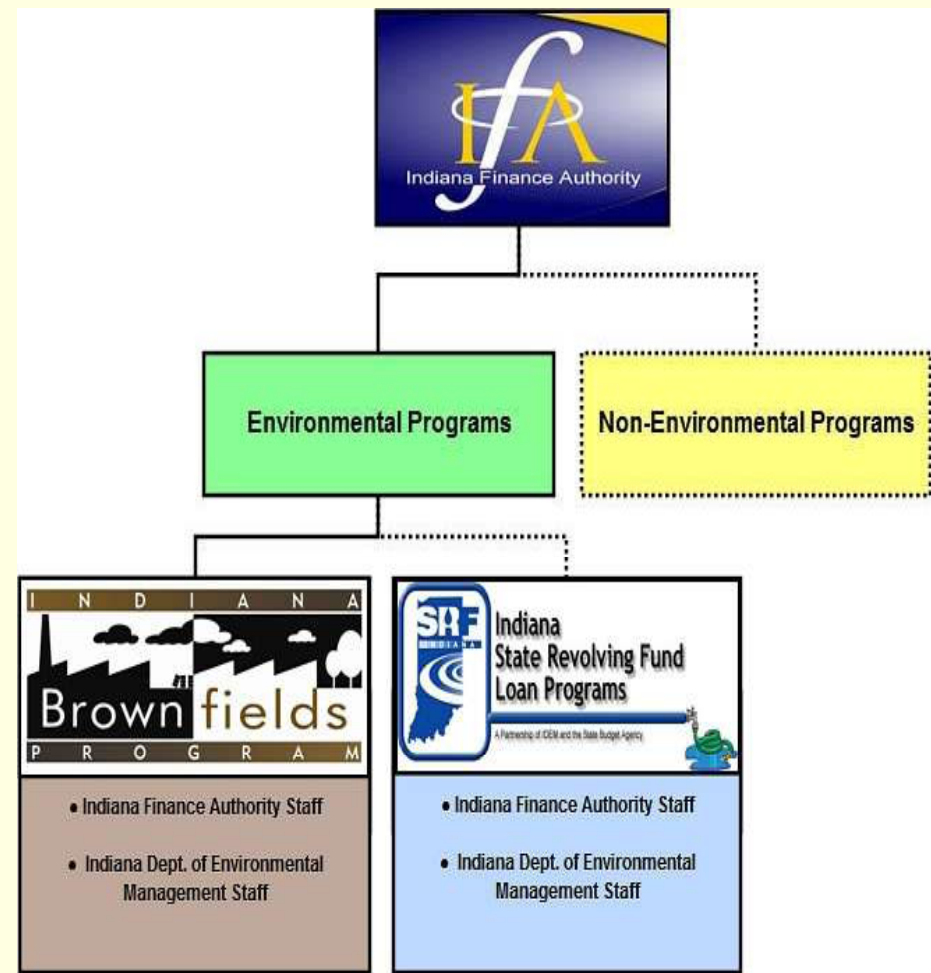
- Created by 2005 legislation (SEA 578); IC 13-11-2-19.3
- Housed under the Indiana Finance Authority (IFA)
- Funded by state appropriations & federal funds
- Allows for voluntary participation – not regulatory
- Provides govt. assistance to address environmental issues to facilitate brownfield redevelopment
- Works typically with communities vs. RPs
- Relies on existing laws/regs/policies to protect human health and environment
- Has different processes for different incentives
- Uses consultants differently per incentive
- Utilizes IDEM's RISC
- Offers closure documents





Indiana Brownfields Program Lends a Hand

- Helps communities by providing:
 - Educational Assistance
 - Financial Assistance
 - Legal Assistance
 - Technical Assistance
- Serves as a liaison with U.S. EPA for financial assistance
- Coordinates with IDEM's Voluntary Remediation Program
 - Certificates of Completion
 - Covenants Not to Sue
- Coordinates with other related IDEM programs as appropriate





When Stakeholders Want/Need \$...

- Indiana Brownfields Program - loan funding throughout the year
 - Revolving Loan Fund (RLF) Incentive (federally funded)
 - Automotive Sector Brownfields Assessment Initiative
 - State Revolving Fund (SRF) Loan Program coordination
 - Tax Waiver brownfield determinations
 - Federal Tax Incentive site eligibility determinations
 - Current/Future funding via U.S. EPA



When Stakeholders Want/Need \$...

- **Indiana Brownfields Program** - loan funding throughout the year
 - **Revolving Loan Fund (RLF) Incentive**
 - federally funded, including award of American Recovery & Reinvestment Act funding
 - political subdivisions, non-profit and for-profit organizations eligible; can re-loan to eligible 3rd party
 - cleanup activities to address hazardous substances & petroleum contamination
 - zero to low-interest rate
 - available hazardous substances funding: ~\$1.9M; petroleum funding: ~\$1.2M
 - rolling applications; first come, first served



When Stakeholders Want/Need \$...

■ Indiana Brownfields Program

■ Automotive Sector Brownfields Assessment Initiative

- Political subdivisions (and private applicants in certain circumstances) eligible to apply for award of services
- Private applicants require match of percentage of award amount
- Permanently idled or closed dealerships and parts/supplier, assembly & manufacturing plants
- Hazardous substances & petroleum contamination
- Phase I/II environmental site assessments, asbestos-containing material & lead-based paint surveys, remediation work plan development, limited demolition, controlling access/site security
- Approximately \$200,000 in available funding until Spring 2012
- Maximum award amount per site, if any, to be determined on case-by-case basis
- Rolling applications; first come, first served



When Stakeholders Want/Need Liability & Technical Assistance...

- Indiana Brownfields Program – letters throughout the year via request form
 - Environmental technical oversight
 - Comment Letters
 - Environmental liability clarification/closure letters (per non-rule policy)
 - Comfort Letters (include BFPP language)
 - Site Status Letters or No Further Action Letters (petro sites)



Liability Clarification Letters

■ **Comfort Letter:**

- Issued to a party that qualifies for an applicable exemption to liability found in Indiana law or IDEM policy, but is not a legal release from liability
- Explains the applicable liability exemption or IDEM's exercise of enforcement discretion under an applicable IDEM policy



Liability Clarification Letters

■ Site Status Letter:

- Issued to a party that can demonstrate that current levels of contaminants of concern substantially meet current cleanup criteria as established by IDEM under the Risk Integrated System of Closure (RISC)
- Does not address the potential liability of the party requesting the letter
- States that based on a technical analysis of information submitted to IDEM pertaining to site conditions, IDEM concludes that current site conditions do not present a threat to human health or the environment and that IDEM does not plan to take or require a response action at the brownfield site



Teamwork leads to Success!

South Bend: Former Studebaker Plant 8 deconstructed to make way for Green Tech Transfer and Recycling Station





Teamwork leads to Success!

Wabash: Former Bront building demolished to make way for new YMCA facility with Skate Park across the street





Teamwork leads to Success!

Indianapolis: Former Gas Stations redeveloped into vibrant Live-Work Residences





Important Points to Remember

- Brownfields: not just obstacles or challenges – but opportunities!
- Brownfield redevelopment balances economic development with environmental protection.
- Brownfield projects are driven by local leaders.
- Success breeds success – talk to other stakeholders – don't reinvent the wheel.
- 3 Ps: *planning (long-term), public participation, and partnerships are keys to success!!*
- Brownfield projects may warrant state and/or federal assistance.
- **Indiana Brownfields Program offers tools to address environmental issues to facilitate brownfield redevelopment.**
- ***Next steps: Determine needs and ask for appropriate assistance....***



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- Check out the Indiana Brownfields Program web site at
www.brownfields.in.gov



Environmental Stewardship. Economic Development.