

Brownfield Redevelopment – Financial, Legal and Technical Assistance Resources



Environmental Stewardship. Economic Development.

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**Indiana 15 Regional Planning Commission:
Regional Brownfields Initiative
Unique Challenges, Strategies and Solutions**
Workshop in Ferdinand
September 5, 2012



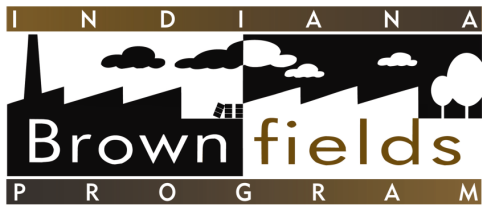
Overview

- Brownfields: What are they? How do they affect land use?
Why is brownfield redevelopment important?
- 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 other resources are out there?
- What are some economic success stories in Indiana?
- What are some take-home points & next steps?



Brownfield? Obstacle? Opportunity?





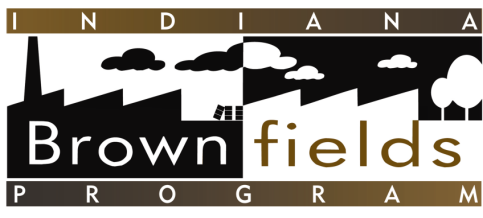
What is a Brownfield?

- 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



Why is Brownfield Redevelopment Important?

- Links economic vitality with **environmental protection**
- Stimulates economy through investment and job creation
- Returns abandoned or underutilized properties to tax roles
- Values existing infrastructure
- Values deconstruction
- Decreases costs
- Decreases blight
- Improves community appearance
- Fosters sustainable and livable communities
- Increases surrounding property values
- Promotes infill development
- Encourages planned growth / discourages urban sprawl
- Preserves greenspace and farmland



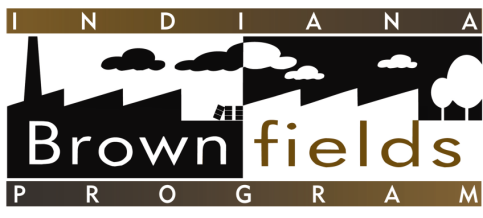
What are Obstacles to Brownfield Redevelopment?

- **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**



Obstacle? Opportunity?





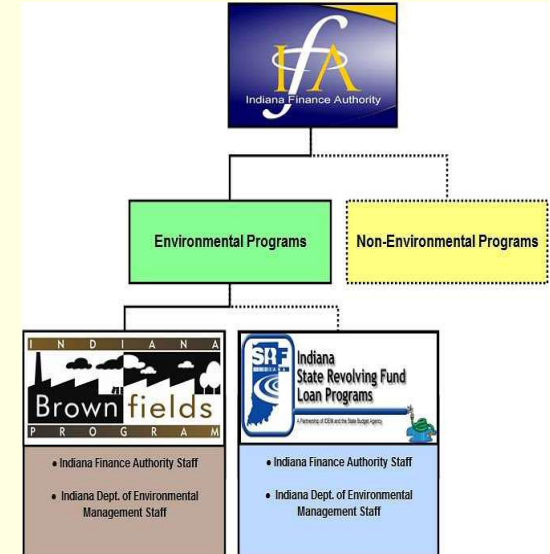
Stakeholders/Partners

- State and Federal Government Agencies – Public
(*e.g., OCRA, IEDC, IDEM, IDNR, INDOT, IHCDA, USDA-Rural Development, USEPA, HUD*)
- Local Government – Public
- Local/State Interest Groups – Private & Public
- Local Business Organizations – Private & Public



Indiana Brownfields Program Background

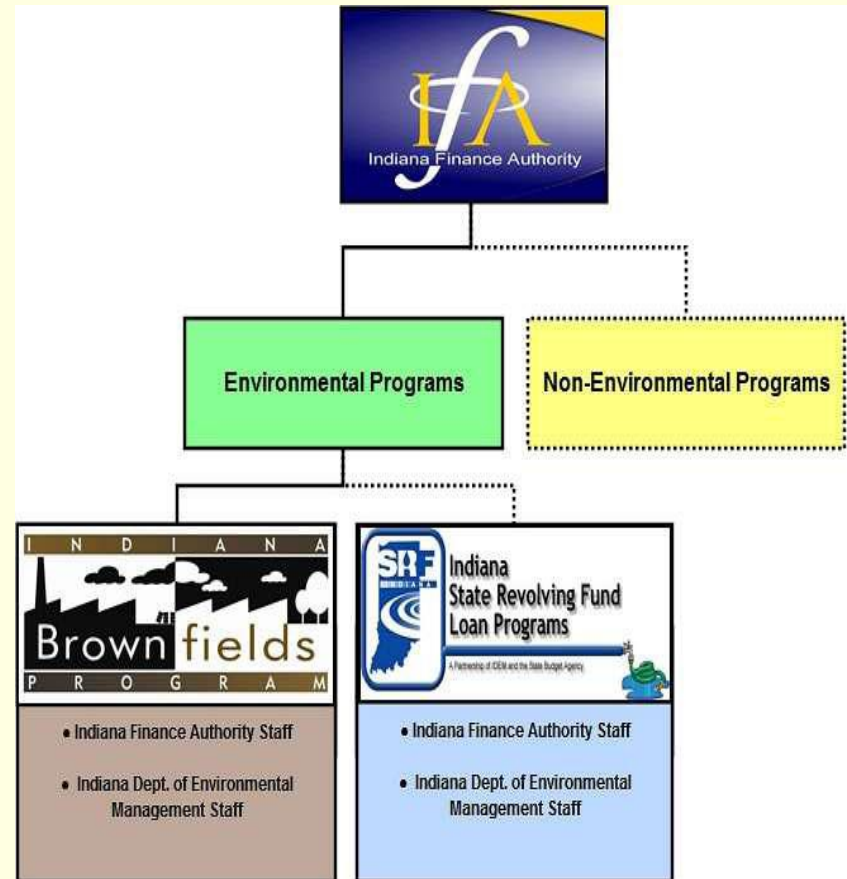
- Created by 2005 legislation (SEA 578); IC 13-11-2-19.3
- Housed under the Indiana Finance Authority (IFA)
- Funded by state appropriations & federal funds
- Allows for voluntary participation – not regulatory
- Provides govt. assistance to address environmental issues to facilitate brownfield redevelopment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

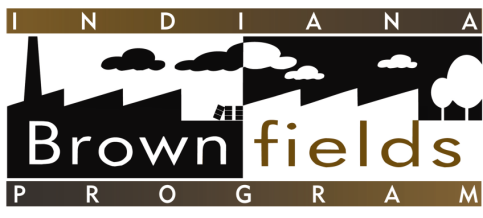




Indiana Brownfields Program Lends a Hand

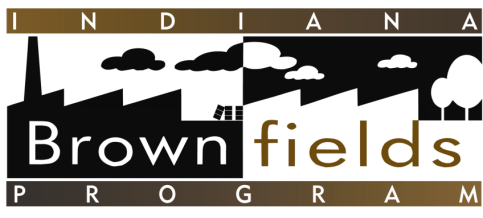
- Helps communities by providing:
 - Educational Assistance
 - Financial Assistance
 - Legal Assistance
 - Technical Assistance
- Serves as a liaison with U.S. EPA for financial assistance
- Coordinates with IDEM's Voluntary Remediation Program
 - Certificates of Completion
 - Covenants Not to Sue
- 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
 - Partner for OCRA non-competitive Clearance Program
 - 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: ~\$1.5M;
petroleum funding: ~\$57,000
 - rolling applications; first come, first served



When Stakeholders Want/Need \$...

■ Indiana Brownfields Program

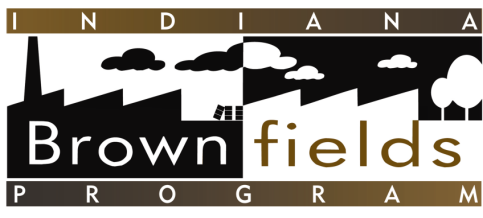
■ Automotive Sector Brownfields Assessment Initiative

- 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, removals, controlling access/site security
- Approximately **\$25, 240** in total available funding until it is gone
- 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:

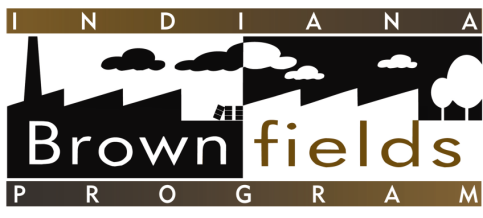
- Issued to a party that qualifies for an applicable exemption to liability found in Indiana law or IDEM policy, but is not a legal release from liability
- Explains the applicable liability exemption or IDEM's exercise of enforcement discretion under an applicable IDEM policy



Liability Clarification Letters

■ Site Status Letter:

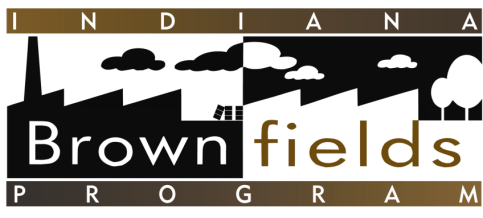
- Issued to a party that can demonstrate that current levels of contaminants of concern substantially meet current risk-based cleanup criteria as established by IDEM per its Remediation Closure Guide
- Does not address the potential liability of the party requesting the letter
- States that based on 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



Liability Clarification Letters

■ Environmental Restrictive Covenants (ERCs)

- Attached to letters as necessary
- Recorded/attached to property deeds
- Describe land use restrictions (residential, commercial, industrial, wells)
- Discuss site contaminants of concern
 - Hazardous substances
 - Petroleum
 - Lead-based paint
 - Asbestos
 - Vapor Intrusion
- Discuss affected media
 - Soil
 - Groundwater
 - Surface water
 - Air



Other Resources

- **U.S. EPA Green Buildings Initiative**

This initiative is designed to promote the construction of environmentally friendly buildings on brownfield properties nationwide. <http://www.epa.gov/greenbuilding/>

- **Construction & Demolition Debris Recycling & Reuse**

An important component of Green Building is the reuse or recycling of C&D building materials. This Web site provides information on U.S. EPA's efforts and other opportunities to reduce C&D materials.

<http://www.epa.gov/epaoswer/non-hw/debris-new/reuse.htm>

- **Sustainability Programs**

The goal of achieving sustainable outcomes is embedded in a myriad of U.S. EPA programs. This Web site provides easy access to many of these programs, arranged in the categories of the Built Environment; Water, Ecosystems and Agriculture; Energy and the Environment; and Materials and Toxics.

<http://es.epa.gov/ncer/p3/epa/index.html>



Other Resources cont.

- **Green Remediation**

U.S. EPA strives for cleanup programs that use natural resources and energy efficiently, reduce negative impacts on the environment, minimize or eliminate pollution at its source, and reduce waste to the greatest extent possible in accordance with the Agency's strategic plan for compliance and environmental stewardship. <http://www.clu-in.org/greenremediation/>

- **New IDEM Remediation Closure Guide Nonrule Policy Document**

Replaces the former Risk Integrated System of Closure (RISC).

http://www.in.gov/idem/files/remediation_closure_guide.pdf



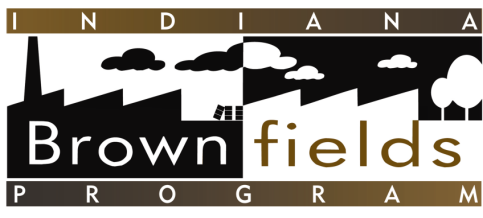
Teamwork leads to Success!

Ligonier: Former Essex Wire site recycled demolished/deconstructed material for green redevelopment. Plans for a river park and fire station.

For more details:

http://www.in.gov/ifa/brownfields/files/Essex_Wire_Success.pdf





Teamwork leads to Success!

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

For more details:

<http://www.in.gov/ifa/brownfields/files/GovAwards2008.pdf>

http://www.epa.gov/brownfields/success/southbend_ss.pdf





Teamwork leads to Success!

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

For more details:

http://www.in.gov/ifa/brownfields/files/Wabash_Success_Story.pdf





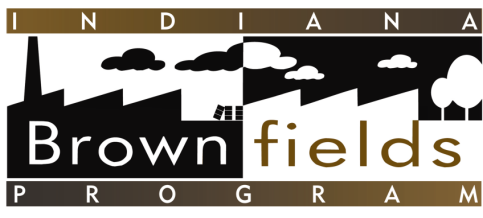
Teamwork leads to Success!

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

For more details:

http://www.in.gov/ifa/brownfields/files/Former_Gas_Stations_Transformed_into_Vibrant_Live.pdf





Teamwork leads to Success!

Madison: Senior Center



Fort Wayne: St. Francis Art Center

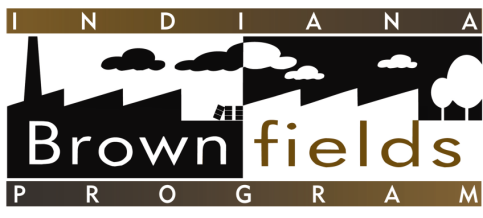




Teamwork leads to Success!

Indianapolis: Apartments/Condos Mishawaka: Park/Retail





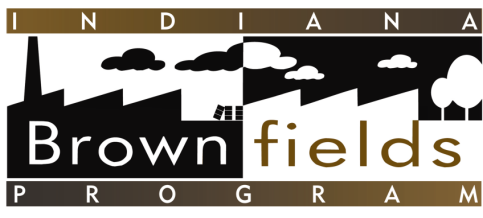
Teamwork leads to Success!

Farmersburg: Town Hall



Silver Lake: Memory Park





Prototypical Program Site

Brownfield Site Averages:

541 sites reporting

- Site size: **6.2 acres**
- # of jobs created: **10.6**
- # of jobs retained: **6.2**
- IFA investment: **\$57,544**
- Additional public investment:
- Additional private investment:



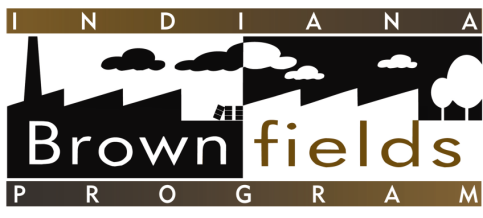
\$1,554,439

\$751,644



Important Points to Remember

- Brownfields: not just obstacles or challenges – but opportunities!
- Brownfield redevelopment balances economic development with environmental protection. Review property deeds!
- 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....***



Contact Information

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



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