



Central Vermont Regional Planning Commission

March 30, 2016

RE: Brownfields Program Info Materials

Dear Bruce,

Commercial and industrial landowners in the planning stages of development may find themselves at a difficult decision point upon discovering possible environmental contamination at their property. CVRPC would like to assist with starting the conversation about solutions by providing the enclosed informational materials. Our Brownfields Program provides advice and technical assistance, as well as funding to investigate environmental contamination in certain situations.

The enclosed Brownfields Program Brochure provides an overview of the services, as well as my contact information. I am also providing an info sheet for your reference which describes the Vermont Environmental Liability Limitation Program and potential public funding resources.

I am available to consult with you and interested property owners individually. Julie Potter, E. Montpelier's CVRPC Rep., is also an important resource to your community. She serves on the CVRPC Brownfields Advisory Committee and has a professional background in Brownfields redevelopment.

If situations arise of which you or the property owner is uncertain, I can help you determine which steps are necessary. Please don't hesitate to give me a call and I look forward to assisting you.

Sincerely,

Gail Aloisio
Assistant Planner
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brown-field *n.*

abandoned, idled, or under-used industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination.

Enclosures



Central Vermont Brownfields Program works with the State of Vermont's Department of Environmental Conservation Waste Management Division to provide liability protection and find additional funding for assessment, cleanup and redevelopment activities.

Liability Protection – Vermont Brownfields Reuse Environmental Liability Limitation Program (BRELLA)

- **Limiting Liability for Cleanup**

Regulatory closure for contaminated property cleanup typically comes with a caveat, known as a "reopener" condition. This condition allows a regulator to "reopen" a project to require additional investigation or cleanup at some future time. Under that scenario, liability for environmental cleanup may never be completely resolved.

An alternative to the standard approach is participation in Vermont's Environmental Liability Limitation Program. The Program closes the reopener loop and resolves the potentially open-ended cleanup issue. This is accomplished through the issuance of a Certificate of Completion once cleanup goals are achieved. The Certificate eliminates reopeners for:

- pre-existing contamination that is discovered after the cleanup;
- pre-existing contamination that was not regulated as a hazardous material at the time of the cleanup; and
- the establishment of more stringent cleanup standards post cleanup.

In this manner, the developer's liability to the state for cleanup is limited.

The benefits conveyed by the Certificate attach to the property and may be transferred to successor owners, enhancing the property's value and marketability.

In addition to the above, the Certificate holder is protected from contribution claims brought by other persons who may be responsible for cleanup. Contribution claims are not unusual in this arena due to the strict liability scheme applicable to contaminated properties. This protection provides the brownfields developer with an additional level of comfort.

Finally, the state does not pursue enforcement action against a Program participant who is actively engaged in environmental investigation or cleanup. This enables the state and the developer to work collaboratively on a mutually acceptable project schedule, rather than having the state dictate the cleanup timeframe.

- **Financial Assistance**

Program participants have access to the state's Brownfields Revitalization Fund. The Fund provides grants for environmental investigation and cleanup, and low interest loans for environmental cleanup.

Hazardous waste removed from a property enrolled in the Program is exempted from the state's hazardous waste transport tax. This can represent a savings of as much as \$60 per ton, depending on the method of disposal.

In addition, projects enrolled in the Program have an advantage when applying for technical assistance grants under the Dept. of Environmental Conservation Technical Assistance Program.

- **Additional Benefits for Prospective Purchasers**

Persons who enter the Program prior to purchasing a brownfield¹ property are eligible for additional benefits. Early involvement promotes a better understanding of contaminant issues, leading to informed decision making. This

approach decreases the likelihood of surprises that could negatively impact the time and cost of addressing contamination.

One direct benefit is elimination of responsibility to pay for the Department's oversight costs. Another is the protection offered by a cleanup cost increase limitation. Finally, an early enrollee has the ability to obtain a Certificate of Completion as soon as cleanup is substantially complete.

In summary, this Program allows developers and the state to work collaboratively to achieve closure of environmental cleanup issues. Access to technical and financial resources enables developers to leverage their investment and fill funding gaps in today's tight credit markets.

Additional Funding Sources for Assessment, Cleanup and Redevelopment Activities - Specific information on all grants and loans can be found the VT DEC Website -

http://www.anr.state.vt.us/dec/wastediv/SMS/RCPP/Loans_Grants.htm

- **Technical Assistance Program** (Grant of Services) - The Vermont Department of Environmental Conservation provides technical and financial assistance with environmental site assessment, cleanup planning and cleanup. All work is paid for by the Department and performed by pre-qualified contractors. Up to \$200,000 per project.
- **Brownfields Revitalization Fund** (Grants and Loans) - This fund is administered by the Agency of Commerce and Community Development in consultation with the Department of Environmental Conservation. Cleanup grants of up to \$200,000 per project are available. Cleanup loans are available in varying amounts depending on project need and the borrower's ability to repay. Loan terms are 2% fixed for up to 15 years. Loans may be subordinated and repayment may be deferred to allow time for project to generate revenue.
- **Regional Assessment Program** (Grant of Services) - Vermont's Regional Planning Commissions (RPC's) provide technical and financial assistance for environmental site assessment and cleanup planning to eligible brownfield projects within each region. Work is paid for by the RPC and performed by pre-qualified consultants with Dept. of Environmental Conservation project oversight.
- **Petroleum Cleanup Fund** (Grants) - The petroleum cleanup fund is administered by the Dept. of Environmental Conservation and provides financial assistance with costs incurred in connection with accidental releases from underground and aboveground storage tanks.
- **Vermont Community Development Program** (Grants) - The Vermont Community Development Program (VCDP) is administered through the Agency of Commerce and Community Development and provides grants of up to \$750,000 for municipal and nonprofit development projects. Grants are primarily available for development activities, but may be also be utilized for brownfield cleanup, provided assistance from brownfield specific sources is considered first.
- **Vermont Economic Development Authority** (Loans) - As a Vermont Brownfields Reuse Initiative partner, VEDA provides financial review and loan closing services for all loans processed through the Brownfields Revitalization Fund. VEDA also manages a wide range of low-cost lending programs for businesses of all sizes and has provided over \$1.3 billion in financing assistance to Vermont businesses and entrepreneurs.
- **Federal Assistance Programs** (Grants) - The U.S. Environmental Protection Agency provides eligible parties with assistance for environmental site assessment and cleanup.

OVERVIEW

One of the legacies of Vermont's industrial heritage over the years has been the challenge of reusing abandoned sites. Developers find it less challenging to build on open pastures or green fields instead of purchasing an existing "brownfields" site in a town or village.

Liabilities attached to contaminated sites and the high costs of cleanup make brownfields redevelopment a complex undertaking. The sites are often avoided and passed over, leaving them idle and distressing both the property owner and the surrounding community.

To help bring abandoned and under utilized sites back into reuse, the Central Vermont Regional Planning Commission (CVRPC) has received funds from the U.S. EPA's *Brownfields Assessment Grant Program*. The Central Vermont Brownfields Program grants funds to conduct site assessments and related activities at brownfields sites to determine whether a site is, in fact, contaminated.

The overall goal of the Brownfields Program is to return sites with real or perceived contamination to the marketplace or to be reused for the public good, such as parks or green space. The Program will provide landowners with a better understanding of the funding sources, benefits, tax incentives, liabilities, insurance protection, and other tools available to redevelop sites.

This project is led by the CVRPC Brownfields Advisory Committee whose membership consists of representatives from towns, financial institutions, community development groups, the Central Vermont Economic Development Corporation, law professionals and other interested parties.

Central Vermont Regional Planning Commission
29 Main Street, Suite 4
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Helping communities & property owners assess environmental contamination for the purpose of re-use or re-development.

A Program of the
Central Vermont Regional Planning
Commission

CENTRAL VERMONT BROWNFIELDS PROGRAM

BENEFITS

- **Free or reduced cost of a phase I or II environmental site assessment:** The Central Vermont Brownfields Program can help fund a phase I and phase II environmental site assessment depending on complexity and available funds. This can save an owner \$2,000 to \$80,000.
 - **Better understanding of site conditions:** The largest barrier to brownfields redevelopment can be the perception (by potential developers and/or investors) of contamination. Without an assessment of the property, this perception cannot be dispelled. Contamination either is on the property or is not on the property. Almost all potential buyers, lending institutions, and investors require that an environmental assessment be conducted before clearing title. The Brownfields Program provides funds to undertake environmental assessments that would otherwise have to be paid by the owner.
 - **Information regarding liability:** Concerns over liability may discourage developers who are unfamiliar with brownfields redevelopment. The Brownfields Program can provide information on liability and available liability protection programs.
- CVRPC can assist land owners and prospective developers with brownfields redevelopment.**

PROCESS

- **Site Assessment:** Assessment of a brownfields site is often undertaken in two phases. A phase I environmental site assessment determines the historical uses of the property and the likelihood of contamination. Information from a phase I assessment is used to plan a phase II environmental site assessment which includes testing the property's soil, water, and/or air. This information is used to determine cleanup options and develop a corrective action plan.
- **Site Cleanup:** Redevelopment projects take planning, public input, and resources. The cost and extent of the cleanup needed may factor into the type of end use that is appropriate for the site. The Brownfields Program does not provide funding for actual cleanup, but can assist the owner in developing the cleanup plans if necessary, identifying clean up funding sources, and providing other technical assistance.
- **Site Redevelopment:** After site assessment activities are completed, some clean up activities may be folded into grading, construction, building renovations or other site redevelopment activities. With a clear redevelopment plan, brownfields assessment, clean up and redevelopment can be a seamless process.

PARTICIPATION

CVRPC staff is available to explain the benefits of the program and discuss whether it is the right match for a property. Once a landowner expresses an interest in the program, they are asked to fill out an application form. The Advisory Committee reviews applications and ranks sites by redevelopment potential, the likelihood of addressing public health, environmental, or land use issues, the degree of municipal support, and the potential for public benefit through redevelopment. CVRPC will notify the landowner of the final decision. If the project is approved, CVRPC will hire an environmental consultant to conduct the phase I or II environmental site assessment.

For more information about the Brownfields Program, please visit www.centralvtplanning.org or contact:

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Restoring Buildings & Jobs: The Brownfields Program at Work in Barre City



Central Vermont. Funds from the Brownfields Program helped characterize site conditions through Phase I and II assessments, and allowed for development and implementation of a detailed cleanup plan. ReSource sells recycled household appliances and building materials thus diverting them from the landfill, helps alleviate poverty by making affordable reused goods and materials available, and coordinates a job-skills training program for at-risk youth and individuals in transition.

A socially conscious, non-profit recycled goods retailer, ReSource purchased this granite shed in Barre City to provide a new retail home in



Multi-Stakeholder Process

The Brownfields Program would not be possible without input from stakeholders such as:

- property owners
- the public
- environmental consultants
- Vermont Dept. of Environmental Conservation & U.S. Environmental Protection Agency representatives.

Involvement of multiple stakeholders ensures that all interests are addressed and protected.

