

Brownfield Resources

This resource list is adapted from the Vermont Brownfields Redevelopment Handbook. The handbook is a primer on brownfields redevelopment in Vermont. It provides an overview of the process and partners involved in identifying, investigating, cleaning up and redeveloping brownfields. The handbook is available on-line at <http://www.anr.state.vt.us/dec/wastediv/sms/brownfields-home.htm>.

DIRECT FUNDING FOR ASSESSMENT AND CLEANUP

VERMONT DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Petroleum Cleanup Fund

Vermont's Petroleum Cleanup Fund provides financial assistance for costs incurred in connection with cleanup of accidental releases from underground storage tanks. The Petroleum Cleanup Fund provides limited coverage for releases from aboveground storage tanks as well. For more information, visit the Department's website at <http://www.anr.state.vt.us/dec/wastediv/ust/home.htm>.

VERMONT AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

Brownfields Revitalization Fund

The Brownfields Revitalization Fund (BRF) is administered by the Agency of Commerce and Community Development in consultation with the Department of Environmental Conservation. The BRF provides eligible applicants with grants and loans for assessment, characterization, and cleanup of contaminated sites. Additional information about the BRF, and an application, can be found at the Vermont Brownfields Initiative website at: <http://www.thinkvermont.com/brownfieldsforum/index.cfm>.

Vermont's Community Development Block Grant

A portion of Vermont's Community Development Block Grant has been set aside to promote brownfields redevelopment. Vermont municipalities are eligible to apply for grants. These grants can also be sub-granted by a municipality to a non-profit corporation or loaned to a for-profit business. Additional information can be found at: <http://www.dhca.state.vt.us/VCDP/GrantTypes.htm>

VERMONT REGIONAL PLANNING COMMISSIONS

Environmental Assessment and Cleanup Grants

Vermont has eleven regional planning districts. Each district is served by a regional planning commission. The commissions can provide assistance with brownfields redevelopment projects through assessment and investigation grants and other services. Some regional commissions also have loan funds for cleanup costs. The geographic boundaries of each district and links to each district's planning commission can be found at the following website: <http://www.vapda.org>.

The Northwest Regional Planning Commission funds environmental assessments in Franklin and Grand Isle Counties. For more information, call (802) 524-5958. The Commission's funding can be used to help a property owner meet deductible limits of the Petroleum Cleanup Fund.

UNITED STATES EPA ASSESSMENT GRANTS

EPA awards grants for brownfields assessments to state, local, and tribal governments, land clearance authorities, and regional council or redevelopment agencies. Property owners or potential purchasers may access these funds to cover costs related to environmental assessments. EPA also awards cleanup grants, including revolving loan funds. For more information visit the EPA's brownfields website at: <http://www.epa.gov/brownfields/pilot.htm>.

US HUD BROWNFIELD ECONOMIC DEVELOPMENT INITIATIVE

Funds are targeted for uses that emphasize the redevelopment of brownfields sites in economic development projects. The initiative is aimed at increasing economic opportunities for low-and moderate-income persons as part of the creation or retention of businesses, jobs and increases in the local tax base. Funds can be used to enhance the security or to improve the viability of a specific project financed with a new Section 108 guaranteed loan commitment. Additional information is available on HUD's website at: <http://www.hud.gov/offices/cpd/economicdevelopment/programs/bedi/>.

TAX CREDIT AND INCENTIVE PROGRAMS

VERMONT AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

Tax credits for Downtowns and Village Centers

Vermont provides for several tax credits for redevelopment projects in "designated" downtowns and village centers. A credit is available for code-related work, including up to \$25,000 for hazardous materials abatement and contaminated sites redevelopment. The state also provides a 10% credit – as an add-on to the 20% federal historic tax credit – for the substantial rehabilitation of historic buildings. This work could include hazardous materials abatement. These projects must meet federal rehabilitation standards. Additional information may be found at: www.HistoricVermont.org.

Tax Increment Financing (TIF)

TIF is a form of subsidy intended to aid downtown redevelopment. A city may designate a TIF district that meets state criteria for such districts. TIFs are based on the assumption that property tax revenues will go up following redevelopment. When that increase happens, the property tax revenue from the TIF district gets split into two streams. The first stream, based on the property values before the redevelopment, continues to go to the city, county, school district and other taxing bodies as before. The second stream consists of the increase in taxes resulting from the new development and gets paid into a special fund used to subsidize some portion of the redevelopment in the TIF district. This diversion of tax payments continues until the TIF district expires (7 to 30 years).

BROWNFIELDS TAX INCENTIVE (FEDERAL)

The brownfields tax incentive, which previously expired on December 31, 2005, was recently extended to be effective until December 31, 2007. The incentive allows the deduction of brownfields cleanup costs. The scope of the tax incentive has also been expanded to allow deduction of expenses incurred for cleanup of petroleum products. Further information on the incentive is available at <http://www.epa.gov/brownfields/bftaxinc.htm>.

FEDERAL HISTORIC REHABILITATION INVESTMENT TAX CREDIT

A 20% credit is available to historic properties rehabilitated for income-producing purposes, including commercial, industrial, agricultural, rental residential or apartment use. To be eligible to receive the tax credits the rehabilitation project must be consistent with the historic character of the property. The National Park Service and the IRS administer this program. Additional information is available on the National Park Service website at: <http://www.cr.nps.gov/hps/TPS/tax/>.

LIABILITY PROTECTION PROGRAMS

VERMONT DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Vermont Liability Protection Program

The Vermont Redevelopment of Contaminated Properties Program (RCP Program) is Vermont's voluntary cleanup program for brownfields. This program allows owners and prospective purchasers of contaminated properties to obtain liability protection from state cleanup enforcement actions and contribution claims. The liability protection provided under this program may be transferred to successor owners, enhancing a property's marketability. Participation in the program is limited to parties who did not cause the contamination.

Participation in the RCP Program is voluntary. Eligible parties are encouraged to take advantage of the many benefits offered by this program. In addition to the liability protections, benefits include: access to grants and loans to cover cleanup costs; elimination of the adversarial nature of a "forced" regulatory cleanup; a comprehensive and collaborative approach to site investigation and cleanup; and sharing of the Department's expertise and knowledge of remediation approaches.

Parties that enter into this program will develop a corrective action plan for approval by the Department. The Department will issue a certificate of completion when all activities required by the plan are complete. The liability protections granted through this program will extend to future owners and will also provide protection from: more stringent cleanup standards that may become effective in the future; required cleanup of materials that were not regulated as hazardous materials until after the cleanup; and required cleanup of contamination that may be discovered in the future by sampling methods that were not standard at the time the cleanup plan

was approved. The benefits afforded by these liability protections can positively impact a property's marketability and a project's financing opportunities.

ENVIRONMENTAL INSURANCE

A growing number of environmental insurance products are available to help address liability and remediation cost issues associated with brownfields redevelopment projects. An internet search will yield numerous resources concerning environmental insurance.