

Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund

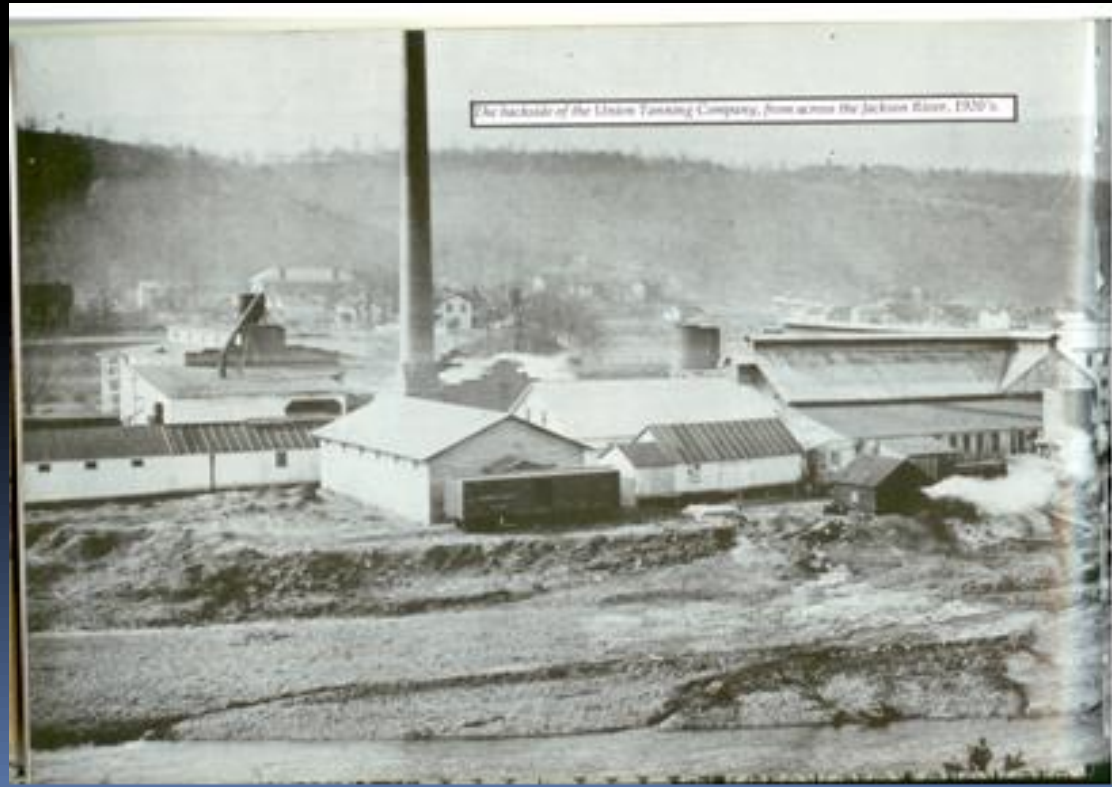


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Brownfields – the definition

- "Brownfield" means real property; the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.



§ 10.1-1231. Brownfield Restoration and Land Renewal Policy and Programs

“It shall be the **policy** of the **Commonwealth** to **encourage remediation** and **restoration** of **brownfields** by **removing barriers** and **providing incentives** and **assistance whenever possible**. The Department of Environmental Quality and the Economic Development Partnership and other appropriate agencies shall establish policies and programs to implement these policies, including a Voluntary Remediation Program, the Brownfields Restoration and Redevelopment Fund, and other measures as may be appropriate.”

Federal and State Brownfield Programs Background

- Voluntary Remediation Program Statutes 1995
- VRP Regulations 1997
- Federal brownfield law passed in 2001
- State brownfield law passed in 2002
- MOA with the EPA in 2002
- Non-enforcement oriented programs
- All provide incentives & protections
- Programs were established very differently from typical regulatory model
- Programs are designed to facilitate property reuse, not punish people



Why Does Government Care About Brownfields Redevelopment?

- **Economic Development - brownfield redevelopment provides communities many important benefits**
 - Jobs created, jobs saved, increased tax revenue, increased property values, helps reverse concentric blight effect, effective use of existing infrastructure
- **Helps everybody understand and correct environmental situations as part of property redevelopment**
 - Is there contamination?
 - How much?
 - How bad?
 - What are the risks? The lenders are concerned as much as any party at the table
 - How can you mitigate and reuse the property?
- **Community redevelopment and social-economic benefits**
 - Reuse of property for the community is a priority
 - Parks
 - Recreational fields
 - City infrastructure and dual use



Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund

- § 10.1-1237 Code of Virginia
- Fund established 2002 by legislation
- \$1M - FY2012
- \$0.75M – FY2014
- \$4.5M total – FY2017 & FY2018
- Virginia Economic Development Partnership’s Budget – VEDP to develop guidance in consultation with DEQ
- Guidelines for award of the “large” cleanup grants are being developed
- Small grants (\$50K) to remain the same
- Competition in the fall for cleanup grants

VBAF Project Status

- 35 sites have funds committed to projects
- Lynchburg x 2, Martinsville x2, Staunton, Petersburg, Richmond, Norfolk – VFC members
- Rockbridge did an excellent job with funds and use of the Virginia Environmental Restoration Tax Exemption which “freezes” property taxes at current depreciated rate for up to 5 years

Brownfields Fund

Development of Guidelines and Application Process Underway

- Straight forward and streamlined application process for large grants is the Goal!
- Evaluation takes into account Economic challenges the community faces
- Evaluation takes into account Environment issues of the site
- Evaluation of the Potential for Redevelopment
- May require enrollment into the VRP to gain liability protections available under state and federal law

Use of Brownfields Fund

- Environmental assessment of property prior to purchase to know what you are buying
- Evaluation and Cleanup of property for releases to the environment once under ownership
- Fund to defray environmental costs to assist with purchase, sale, or to facilitate brownfield property redevelopment
- Focus on stressed communities
- Requirements for a 1:1 match

Types of Brownfields Sites

- Refer to the definition a Brownfield by the General Assembly
- A “site” could be a former manufacturing property
- However, it could be a strategically located parcel that has some minor known or only suspected environmental issues
- The site could be a property in which the city is a potential responsible party
- Strategy may be to not focus on the biggest site in a locality but one that can be “fixed” in relatively short period of time – some localities have taken that approach

Proposed Schedule

- Develop guidelines for large grants by July 1, 2016
- Solicit for applications by fall 2016

Recommendations or Take Away Points:

- Members should evaluate properties within their inventory which have revitalization potential and require environmental assessment and /or remediation for the large grants.
- Guidance and assistance is available from both DEQ, EPA, and TAB contractors at no charge to help understand and work thru issues.



That's all Folks

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