

Brownfield Basics

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Areas in Need of Attention



Brownfield Characteristics

- Past industrial or commercial use
- Known or perceived environmental contamination
- Currently unused, underused, abandoned
- Owner is bankrupt, insolvent, unreachable, unresponsive, an estate, a large corporation that takes no action to transfer property, etc.

Common Brownfields

- Former factories
- Other manufacturing, tanning, milling, and plating facilities
- Old gas/service stations and drycleaners
- Former salvage and lumber yards
- Railroad yards

Brownfields in your Community



Brownfield vs. Redeveloped

- Key Differences
 - Local real estate market conditions
 - Property ownership situation
 - Local government involvement
 - Someone is willing to pay for the initial environmental assessment work

State Spill Law



- Wis. Stat. § 292.11(3) (since 1978)
- Requires anyone who causes, possess or controls a hazardous substance discharge to land, water and air to take appropriate action
- All known discharges must be immediately reported to DNR
- Emergency spills receive immediate attention

Land Recycling Law

- Passed in 1994; enhanced in following years
- Established environmental liability exemptions for local governments, lenders, and off-site property owners
- Created a grant program to help municipalities
- Provided a new outlook on property reuse



New Law – New Program

- Remediation and Redevelopment Program created in 1995 at DNR
- Dual focus: cleanup and reuse
- Priority on partnerships and customer service



NR 700 Rule Series

- A road map from discovery to closure
- Consolidates state and federal investigation and cleanup requirements into one program
- Professional expertise and equipment needed to carry out these activities
- Goal is protection of public health and the environment (land, air, water)

Basic Process Steps

- Phase I ESA
- Phase II ESA
- Discovery and Reporting
- Site Investigation
- Cleanup
- Closure
- Continuing Obligations



Spill Law Exemptions

- State law provides liability exemptions to:
 - Local governments
 - Lenders
 - Legal representatives
 - Off-site property owners
 - Voluntary parties that complete cleanups
- Exempt from requirements to investigate and cleanup pre-existing contamination

Local Gov. Exemption

- Wis. Stat. § 292.11(9)(e)
- Local Gov. not responsible for pre-existing environmental contamination if:
 - Property acquired per statute: e.g. tax foreclosure condemnation; bankruptcy, for blight elimination,
 - No new spills/discharges occur
 - DNR directions to make property safe for next use are followed

Additional Protections

Local governments can also get:

- 292.23 – solid waste exemption
- 292.24 – hazardous waste
- 292.26 – civil immunity
- 292.33 – cost recovery authority

DNR/RR Program Role

- Oversee environmental investigation and cleanup work; review requests for closure
- Provide assistance to responsible parties, consultants, local governments and others
- Maintain database of documents and reports



DNR/RR Program Role cont.

- Assist local governments (1,000+ Green Team meetings)
- Distribute grant and loan funds (\$ millions)
- Prepare liability and technical clarification letters (1,780 delivered)
- Respond to abandoned containers (310 times)
- 30,942 spill incidents addressed with no additional action needed

Redevelopment is Possible

- Activities in all 72 counties
- Activities in 96% of all cities, villages, towns
- 28,856 cases closed
- 25,130 acres returned for reuse
- 203 VPLE certificates issued with NO reopeners



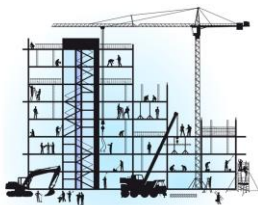
Redevelopment is Profitable

- \$1 of state brownfields funding leverages \$24 of private sector investment.

Average reused property adds \$3.4 million to assessable base.

Post-reuse values exceed pre-reuse values 3.5 to 1.

\$3,000 leverages 1 job.



14-fold ROI for State

\$88.5 Million Local Government Gain in Annual Tax Revenue



Why Acquire a Brownfield

- Property access and site control
- Local government ownership gives potential purchasers marketable title and a credible entity to work with
- Tax foreclosure clears title, removes liens, stops build-up of back taxes
- Often the only realistic way to get a property back on the tax rolls

Other Ownership Benefits

- Brownfield properties are unattractive to private sector actors in current condition; something extra is needed
- Easier to investigate buildings and subsurface conditions, collect and share data with potential purchasers and market property
- Access to state and federal financial assistance

The Costs of Inaction

- Continued health and safety risks
- Lost potential tax revenue
- No new investment
- Nearby property values decline
- Negative impact on other potential reinvestment due to perception of decline



Local Government Options

- Prevent brownfields from happening
- Take no action for existing brownfields
- Assist property owner to improve site
- Enact and enforce vacant and/or blighted property ordinances
- Offer incentives to promote redevelopment
- Acquire property for short, medium or long-term ownership

Tools and Assistance

- Public Database and Map
- Grant and Loan Programs
- Green Team Meetings
- Cleanup Agreements
- Technical Assistance
- Model Ordinances
- RR Report News Feed



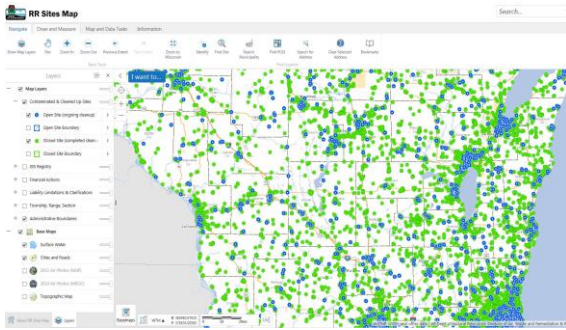
WAM Awards

- Assessment contractor services awards
 - Phase I and II reports; some SI possible
- No-cost to awardee; DNR administers
- Local governments are eligible for awards
- Site must be an industrial brownfield less than 10 acres
- Legal permission to access property needed

Ready for Reuse \$

- For cleanup work, following SI
- Local governments are eligible
- Property must be a brownfield
- 0% loans over \$250k with flexible payback
- Grants up to \$200k possible
- 22% applicant match





Access DNR Data Everywhere

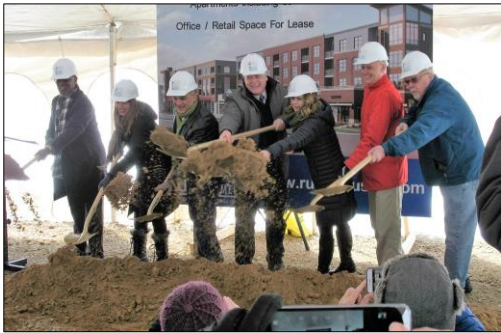


State Grants and Loans

- **Assessment**
 - WEDC Site Assessment Grant
 - DNR Wisconsin Assessment Monies
- **Cleanup**
 - DNR Ready for Reuse Grant and Revolving Loan Fund
 - WEDC Brownfield Redevelopment Grant







Green Team Meetings



Contact Us, We Can Help





Getting to Groundbreaking
