





NC Brownfields Program Background

Map / Dir

A "brownfield site" is an abandoned, idled, or underused property where the threat of environmental contamination has hindered its redevelopment. The North Carolina Brownfields Program, which is administered by the Special Remediation Branch of the Superfund Section, is State's effort to break this barrier to the redevelopment of these sites. The Brownfields Property Reuse Act of 1997 [NCGS 130A310.30 et seq.] sets forth the authority for the Department of Environment and Natural Resources (DENR) to work with prospective developers to put these brownfield sites back into reuse. The prospective developer as defined

under the statute is any person who desires to buy or sell a brownfields property for the purpose of redeveloping it and who did not cause or contribute to the contamination at the property. At the heart of the program is the brownfield agreement-- in effect, a covenant not-to-sue offered to a prospective developer of a brownfield property. Under a brownfield agreement, a prospective developer agrees to perform those actions deemed by the Department to be essential to make the property safe for the proposed reuse. In return, the Department agrees

to limit the liability of the prospective developer to those actions described in the agreement. This allows the prospective developer to go to a lending institution with a defined, instead of an open-ended, liability for environmental cleanup. Through such agreements it is hoped that redevelopment at these brownfield sites will be encouraged, lessening the incentive for developers to move into "greenfield" areas. While these defined liability benefits are extended to the prospective developer, the brownfield agreement in no way changes the legal liability for the responsible parties at the site.

The Act provides the Department with the discretion to enter into brownfields agreements. Furthermore, it specifically states that there must be a "public benefit commensurate with the



liability protection provided" under the brownfield agreement. This discretion will be exercised with the intent to encourage site redevelopment and is not designed for responsible parties with inactive hazardous waste sites who merely want to transfer property. For these sites there is the voluntary cleanup program which is administered by the Inactive Hazardous Sites Branch of the Superfund Section. The Voluntary Cleanup Program has provisions regarding privatized oversight at voluntary

cleanups (the Registered Environmental Consultant Program) that took effect April 1997.



Land Recycling with the Brownfields Program

The NC Dept. of Environment and Natural Resources



Smart Growth Through Smart Land Reuse

The Problem

We have all seen abandoned, idled, or underused properties. Why aren't they being reused? In some cases it is because past users have left the property with chemical contamination from their past operations. Uncertainty in the cost of site cleanup keep prospective developers of these properties away. The result are properties that remain both contaminated <u>and</u> abandoned.

It is past time that we find a way to safely reuse these properties. For every brownfield property redeveloped a greenspace property is preserved.

If you are a prospective developer of potentially contaminated properties, you know that environmental liability can cause big headaches. Uncertain site cleanup costs (that often can exceed the property value) can erect barriers to financing that make redevelopment of these properties nonstarters.

Developers of these sites have asked, why make me as liable as the polluter for cleanup of these sites?

The Solution

Now there is a program in North Carolina that you should know about that can help you *break* the environmental liability barrier. It creates a win-win-win scenario for the public, the environment, and prospective developers...

The North Carolina Land Recycling Program Can:

- Treat you, the prospective developer, not as the site polluter but as an ally in the safe redevelopment of these properties
- Provide you a brownfield agreement that defines up front those actions necessary to make the site safe for the reuse proposed, eliminating cleanup uncertainty and breaking the barrier to financing. Usually, these "safemaking" actions are less costly than a site cleanup that would be imposed on a polluter.
- Provide significant property tax relief for the first five years after redevelopment of the site
- Ensure that the redevelopment is done in a manner that is safe for the public while helping the local community to establish jobs, increase the tax base, and improve the quality of life in the surrounding neighborhood.

Success For Redevelopers

Already the program has produced brownfield agreements that have allowed \$55 million worth of private Investment at sites such as:

- A Food Lion Grocery Store that is vital for the quality of life in an urban neighborhood in Winston-Salem
- Redevelopment of a crumbling turn-of-thecentury textile mill on the National Register of Historic Places into commercial offices in Raleigh
- Redevelopment of abandoned historic manufacturing buildings into the Design Center of the Carolinas in Charlotte

Can it work for you?

If you have interest in redeveloping an abandoned, idled, or underused property and did not cause or contribute to its contamination, you might just be eligible.

To find out more, visit us at www.ncbrownfields.org

Or call Bruce Nicholson or Tony Duque with the NC Brownfields Program at (919)733-2801.