

The Massachusetts Brownfields Program, A Decade of Progress in Economic Development

On August 5, 1998, the Massachusetts Legislature amended M.G.L. chapter 21E to provide financial and liability relief for owners of brownfield sites and parties undertaking brownfields redevelopment projects in the state. The Brownfields Act created a \$15 million subsidized insurance policy program, a \$30 million redevelopment fund to pay for site assessment and remediation, and post-remediation tax credits. Over the past decade, the programs created by the Brownfields Act have supported more than 1,300 brownfields redevelopment success stories across the Commonwealth. Program descriptions and accomplishments follow.

Massachusetts Business Development Corporation

Brownfields Redevelopment Access to Capital (BRAC) Program

MBDC's Brownfield Redevelopment Access to Capital Program subsidizes the cost of high-quality, comprehensive environmental insurance to protect lenders and investors from extraordinary environmental risks and cleanup expenses. Insurance provided under the Program also assures the availability of funding to cover unexpected environmental remediation costs, ensuring the completion of cleanups.

Capitalized at \$15 million by the Legislature in 1999, the BRAC Program provides:

- **Premium Subsidies:** reimbursement of up to 50% of the premium cost of qualifying coverage purchased in connection with the Program.
- **Comprehensive Insurance Endorsement:** a pre-negotiated endorsement providing standard coverage enhancements to all policies under the Program.
- **High Quality Coverage:** policies are provided by the top five environmental insurers in the world.

Accomplishments 1998 – 2008

Sites Receiving Assistance from the Program	330
Value Insurance Obtained	\$1.2 billion
Insurance Subsidies Paid	\$6.6 million
Communities Assisted	120
Cleanup Expenditures on Insured Sites	\$188 million
Development Expenditures on Insured Sites	\$4.1 billion
Potential New Jobs	27,000
Potential New Housing Units	4,800

MassDEP

Brownfields Regulatory & Technical Assistance

MassDEP proactively encourages brownfields redevelopment to revitalize derelict contaminated sites, protect human health and the environment, and advance renewable energy goals.

MassDEP's Brownfields program offers:

- **Privatized Cleanup:** The first state to create a privatized cleanup program, Massachusetts allows parties to hire private sector Licensed Site Professionals (LSP) to oversee assessment and cleanup work at brownfields and other contaminated sites. As a result, sites are cleaned more quickly.
- **Flexible Cleanup Standards:** Under MassDEP's risk-based cleanup standards, parties can take the planned reuse of the site into consideration during cleanup design to ensure appropriate protection while reducing the time and costs associated with cleanup. For example, low levels of contamination can sometimes be left in place provided future use is restricted to eliminate potential exposure.
- **Technical Assistance:** MassDEP regional and Boston staff work proactively with municipalities and brownfields developers to help resolve regulatory issues that can stall brownfields projects. MassDEP partners with other state and federal agencies to ensure parties have access to financial, legal, and regulatory tools.

Accomplishments 1998 – 2008

Sites Remediated/LSP	19,333
Projects Assisted/DEP	723
Communities Affected	199
Cleanups completed/DEP Assisted	360

MassDevelopment

Brownfields Redevelopment Fund

MassDevelopment's Brownfields Redevelopment Fund supports brownfields cleanup and redevelopment. The Fund was capitalized by the legislature in 1999 with \$30 million and recapitalized in 2006 with an additional \$30 million.

The Brownfields Redevelopment Fund provides:

- **Site Assessment Loans:** unsecured, interest free loans up to \$100,000 to for-profit and non-profit entities, municipalities, and individuals help to determine whether properties are contaminated and to develop remediation plans.
- **Remediation Loans:** flexible, below-market-rate financing up to \$500,000 for cleanup or containment of pollutants.
- **Housing Initiative Loans:** site assessment and remediation loans for housing development through a \$10 million targeted set-aside.
- **Priority Project Status:** up to \$2 million per project in site assessment/ remediation funding for high-impact sites that host communities prioritize and that have received substantial municipal investment.

Accomplishments 1998 – 2008

Site Assessment and Remediation Grants/Loans	418
Amount Site Assessment and Remediation Grants/Loans	\$41.9 million
Towns/Cities Affected	90
Number of Sites	346
Potential New Jobs	5,800
Potential New Housing Units	4,900
Acres Assessed or Remediated (54% reporting)	1,171

Office of the Attorney General

Brownfields Covenant Not to Sue Program

The Attorney General facilitates brownfields cleanup and redevelopment by resolving liability for current and prospective owners and operators of contaminated property.

- **Brownfields Covenant Not to Sue Agreements:** The Attorney General enters into Brownfields Covenant Not to Sue Agreements to provide site-specific liability relief in exchange for promises to clean up contamination and redevelop sites in ways that contribute to the economic or physical revitalization of the community.
- **Project Assistance:** The Attorney General assists on other projects by clarifying liability and providing other technical assistance to resolve liability problems that hinder cleanup and redevelopment.

Accomplishments 1998 – 2008

Brownfields Covenant Not to Sue Agreements. The Attorney General has entered into 31 Brownfields Covenants in 26 communities across all regions of the Commonwealth that have led to commercial, industrial, residential and open space development. In completed projects, these agreements have led to:

New Jobs Created	820
Units of Market-rate Housing Created	450
Units of Affordable Housing Created	142
Total Acres Redeveloped	614

Project Assistance: The Attorney General has assisted on dozens of other projects by providing “comfort letters” and other technical assistance.

2002 Municipal Grant Program: The Attorney General awarded \$1.25 Million for 29 projects in 27 communities in a one-time grant program to help communities develop reuse plans for contaminated sites.

New Directions

Looking toward the next decade of brownfields successes, the Patrick/Murray Administration in 2008 announced the Brownfields Support Team Initiative, which brings together key state agencies to target resources to high-impact sites requiring significant remediation. In July, Lt. Governor Murray announced the designation of the first five BSTI sites: City Pier in Fall River, Chapman Valve/Crane Company property in Springfield, South Worcester Industrial Park in Worcester, Fisherville Mill in Grafton, and Ted's for Tires property in Haverhill.