



# MASSACHUSETTS BROWNFIELDS PROGRAM

## State Incentives for Cleanup and Redevelopment

March 2013

On August 5, 1998, the Massachusetts Legislature passed the Massachusetts Brownfields Act. This landmark legislation created financial and liability incentives to help parties overcome obstacles associated with the cleanup and redevelopment of contaminated property. Financial incentives created included: a redevelopment fund for assessment and cleanup at MassDevelopment; a post-remediation tax credit program at MassDOR; and the nation's first state subsidized environmental insurance program at BDC Capital (formerly BDC New England). The legislation also created liability protection for certain parties directly under state cleanup laws, as well as through the Brownfield Covenant Not to Sue Program administered by the Office of the Attorney General.

Over the past decade, the programs created by the Brownfields Act have supported more than 1,300 brownfields redevelopment success stories across the Commonwealth. State economic development and environmental agencies continue to work closely together to help project proponents navigate the regulatory process and access all available incentives. The following are the agencies and programs dedicated to promoting brownfields redevelopment and economic development in Massachusetts.

### MassDEP

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#### Waste Site Cleanup Program

MassDEP proactively encourages brownfields redevelopment to revitalize derelict contaminated sites, protect human health and the environment, and promote sustainable development.

MassDEP's Waste Site Cleanup Program includes:

- **Privatized Cleanup:** The first state to create a semi-privatized cleanup program, Massachusetts allows parties to hire private sector Licensed Site Professionals (LSP) to oversee assessment and cleanup work at brownfield and other contaminated sites.
- **Flexible Cleanup Standards:** MassDEP's risk-based cleanup standards allow parties to take the planned reuse of the site into consideration during cleanup design.
- **Technical Assistance:** MassDEP regional and Boston staff work proactively with municipalities, non-profits and brownfield developers to help resolve regulatory issues that can stall brownfields projects.
- **Limited Funding:** MassDEP in past years has received funding through federal brownfields grants from EPA to conduct assessment work on behalf of eligible entities. MassDEP continues to apply for additional EPA grants.

For more information contact Kerry Bowie, MassDEP Brownfields Coordinator at (617) 556-1007 or visit the website: <http://www.mass.gov/dep/cleanup/brownfie.htm>.

### MassDevelopment

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#### 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:

- **Brownfields Site Assessment Program:** Interest-free financing of up to \$100,000 per redevelopment site is available for environmental testing. Required to be conducted by a Massachusetts Licensed Site Professional, a site assessment documents the extent of site contamination and allows developers to develop a remediation plan.
- **Brownfields Remediation Loan Program:** Loans of up to \$500,000 per site are available for environmental clean-up required for redevelopment. Financing terms are determined on a case-by-case basis.
- **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.

More information about the [Brownfields Redevelopment Fund](http://www.massdevelopment.com/financing/specialty-loan-programs/brownfields-redevelopment-fund/) call 1-800-445-8030 or visit the website: <http://www.massdevelopment.com/financing/specialty-loan-programs/brownfields-redevelopment-fund/>.

## **BDC Capital**

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### **Brownfields Redevelopment Access to Capital (BRAC) Program**

BDC Capital, through a contract with Massachusetts Office of Business Development (MOBD), administers the Brownfield Redevelopment Access to Capital (BRAC) Program. The BRAC Program subsidizes the cost of high-quality, comprehensive environmental insurance to protect parties from environmental risks and overruns on cleanup expenses.

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.
- **High Quality Coverage:** policies are provided by the top six environmental insurers in the world.

For more information contact [Thomas J. Barry](mailto:Thomas.J.Barry@massbiz.com), Program Director, at 781-928-1106 or visit the website: <http://www.mass-business.com/site/site-massbiz/content/brownfields/>.

## **Massachusetts Department of Revenue**

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### **Brownfields Tax Credit Program**

The Brownfields Tax Credit Program offers tax credits to eligible parties at the completion of cleanup to cover response action costs incurred. A change to the program in 2006 allows parties, including non-profits, to transfer these credits.

- **Brownfield Tax Credit:** At the completion of a cleanup, eligible parties can take up to a 50% tax credit on cleanup costs incurred (25% for cleanups that use an Activity and Use Limitation) to reach a permanent solution of remedy operation status under state cleanup laws.

For more information please contact Dan Seferian at (617) 626-3293 or visit the website: <http://www.mass.gov/dor/individuals/filing-and-payment-information/guide-to-personal-income-tax/credits/business-related-credits.html>.

## **Office of the Attorney General**

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### **Brownfields Covenant Not to Sue Program**

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

- **Brownfields Covenant Not to Sue Agreements:** provide site-specific liability protection in exchange for commitments to clean up and redevelop sites in ways that contribute to the economic or physical revitalization of the community.

For more information contact John Beling at (617) 963-2423 or visit the [website:](http://www.mass.gov/ago/doing-business-in-massachusetts/economic-development/brownfields-covenant-program/) <http://www.mass.gov/ago/doing-business-in-massachusetts/economic-development/brownfields-covenant-program/>.

## **Executive Office of Housing & Economic Development**

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**The MassWorks Infrastructure Program** provides a one-stop shop for municipalities and other eligible applicants seeking public infrastructure funding to support economic development. The MassWorks Infrastructure Program provides grant funding for publicly owned infrastructure including: sewers, utility extensions, streets, roads, curb-cuts, parking facilities, site preparation, demolition, pedestrian walkways, streetscape, and water treatment systems.

In recognition of the Patrick Administration's commitment to and focus on job creation and economic development, the MassWorks Infrastructure Program will be centrally administered by the Executive Office of Housing and Economic Development, in cooperation with the Department of Transportation and Executive Office for Administration and Finance.

The Program represents an administrative consolidation of six grant programs:

- Public Works Economic Development (PWED) Grants
- Community Development Action Grant (CDAG)
- Growth District Initiative (GDI) Grants
- Massachusetts Opportunity Relocation and Expansion Program (MORE)
- Small Town Rural Assistance Program (STRAP)
- Transit Oriented Development (TOD) Grant Program

For more information please contact Victoria Maguire at (617) 788-3649 or visit the MassWorks Infrastructure Program website: <http://www.mass.gov/hed/economic/eohed/pro/infrastructure/massworks/>.

**The Chapter 43D program** enables cities and towns to identify Priority Development Sites, pre-zoned for industrial, commercial or mixed use development, within which the municipality will render all local permitting decisions in 180 days or less. The State Interagency Permitting Board has approved one or more Priority Development Sites in 81 municipalities and 161 Priority Development Sites statewide. The State Permitting Ombudsman serves as the Chair of the Interagency Permitting Board, which

administers the Chapter 43D Expedited Permitting Program for municipalities. The Board meets monthly and is represented by nine state agencies and MassDevelopment.

The benefits of the Chapter 43D Expedited Permitting Program include:

- A transparent and efficient process for municipal permitting
- Guarantee of local permitting decisions on priority development sites within 180 days
- Increased visibility for a community and its target development site(s)

For more information please contact: Victoria Maguire (617) 788-3649 or visit the Chapter 43D [website](http://www.mass.gov/hed/business/licensing/43d/): <http://www.mass.gov/hed/business/licensing/43d/>.

**The Massachusetts Permitting Collaborative** advises proponents of new development projects on how best to navigate the permitting and regulatory process in Massachusetts. The Permitting Collaborative will bring together state agencies and project proponents for a pre-application conference regarding the permitting needs of individual projects throughout the Commonwealth. This effort will enable these projects to move more quickly through the review process and toward job creation.

While working with the Collaborative will not bypass the state's permitting and regulatory review procedures, an early discussion with key state agencies will allow project proponents to consider agency guidelines, criteria and recommendations prior to filing an application. This early level of collaboration has been regarded as one of the most effective ways of ensuring that project proponents and agencies have an opportunity to jointly address potential issues early, avoid delays, and move more quickly towards development and job creation.

The Collaborative is chaired by the State Permit Ombudsman and participating agencies include: Massachusetts Permit Regulatory Office, MassDEP, Massachusetts Department of Transportation, Department of Housing & Community Development, Department of Public Safety, Division of Capital Asset Management, Division of Fish & Game, MBTA, and Massachusetts Environmental Protection Act (MEPA).

For more information please contact: Victoria Maguire (617) 788-3649 or visit the Massachusetts Permitting Collaborative [website](http://www.mass.gov/hed/economic/eohed/pro/zoning-and-permitting/massachusetts-permitting-collaborative.html): <http://www.mass.gov/hed/economic/eohed/pro/zoning-and-permitting/massachusetts-permitting-collaborative.html>.

## **Massachusetts Office of Business Development**

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### **The Economic Development Incentive Program**

The Economic Development Incentive Program (EDIP) is a tax incentive program designed to foster full-time job creation and stimulate business growth throughout the Commonwealth. Participating companies may receive state and local tax incentives in exchange for full-time job creation, manufacturing job retention, and private investment commitments. The Economic Development Incentive Program is run by the Massachusetts Office of Business Development.

As of January 1, 2010, the Economic Assistance Coordinating Council (EACC) may certify three categories of project for companies that generate substantial sales outside of the Commonwealth and are seeking the EDIP Investment Tax Credit (ITC): full-time job creation and investment projects within Economic

Target Areas, projects with exceptional employment growth across the Commonwealth and finally, projects within gateway communities that sustain and grow manufacturing jobs.

For more information please contact: Eileen Rogan (617) 973-8538 or visit the Economic Development Incentive Program website: <http://www.mass.gov/hed/business/incentives/edip/>.

## **MA BROWNFIELDS CONTACTS**

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