



**TN**

# Resources for Brownfield Redevelopment

Presented by:





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# What is a Brownfield?

Properties, that exist in almost every community, where redevelopment or expansion is complicated by **real or perceived environmental contamination**.

- Old Industrial facilities
- Former coal yards/junk yards
- Legacy contamination
- Abandoned gas stations
- Closed landfills

Brownfields usually have **pre-existing infrastructure and access to utility services** that can be easily expanded or updated.



# Liability Arising from Ownership

Federal statutes create the greatest potential liability in connection with real estate transactions. These statutes create liability in different manners, but both address the cleanup of hazardous substances or waste already released into the environment.

- Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA)
- Resource Conservation and Recovery Act of 1976 (RCRA), as amended by the Hazardous and Solid Waste Amendments of 1984 (HSWA).

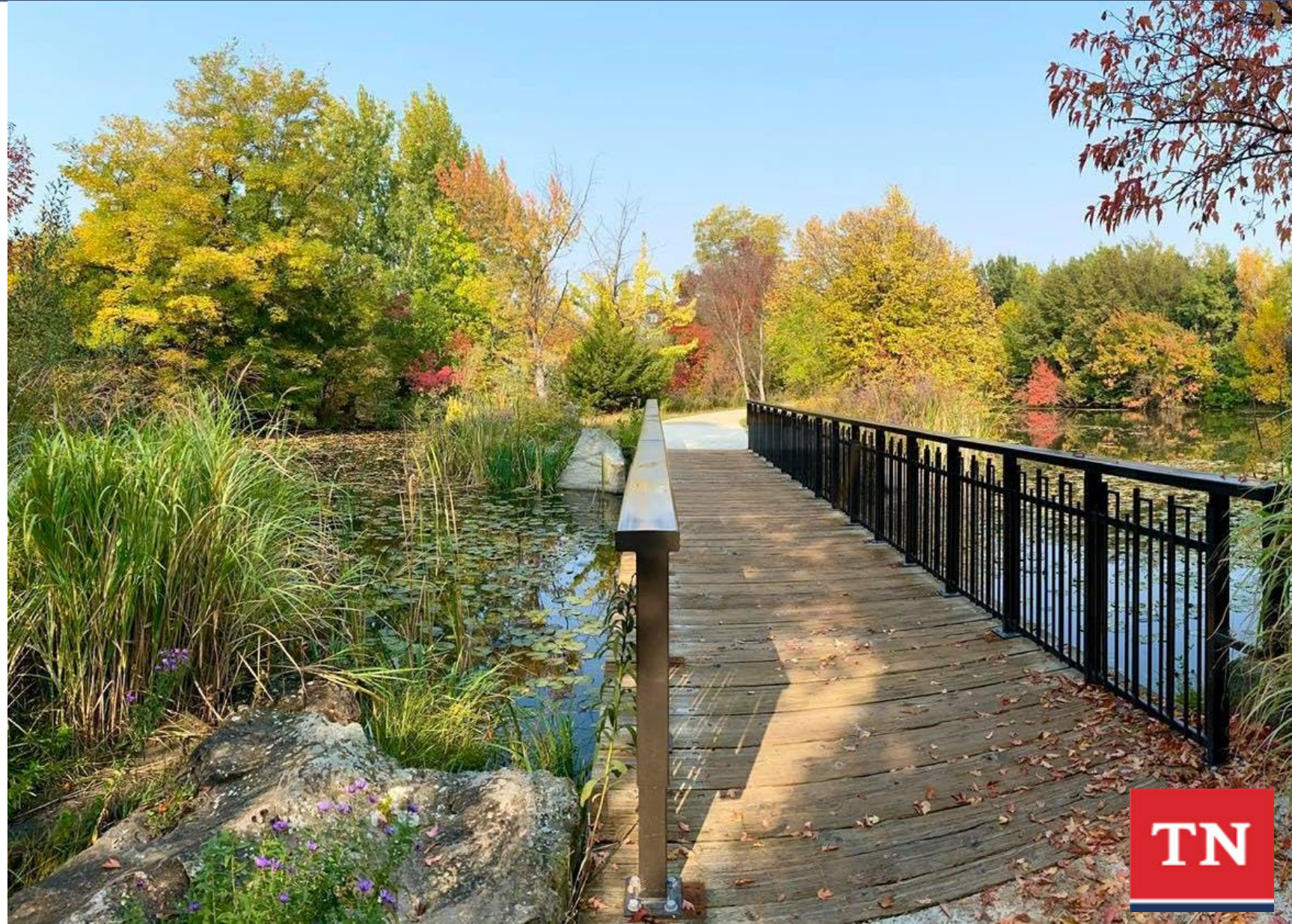
State law addresses liability differently than Federal.

- Creating a defense against State liability requires performance of **due diligence** to establish the buyer is not a “liable party”.

# Brownfield Remediation – the benefits

## Contributes to clean healthy environment:

- Improved air, water and soil quality
- Increased land preservation
- Less urban sprawl
- Increased preservation of open spaces



# Brownfield Remediation – the benefits

- Promotes strong communities
- Restores impacted lands so they can be reused
- Provides social and economic benefit



# Brownfield Remediation – the benefits







# Brownfield Remediation – the opportunities



**Abandoned Gas Stations**

Red Truck Bakery, Warrenton, VA



**Gan Shan Station, Asheville, NC**



# Brownfield Remediation – the opportunities



**“My town is too small for this type of redevelopment”**

**Williston, FL (population = 2,000 at project start)**



# Brownfield Remediation – the opportunities



**Closed Landfill**

Astoria, OR (population = 10k)



1 Million  
visitors  
annually





# Rural Brownfields Investment Act

Pub. Ch. 86, effective July 1, 2023

1. Establishes a state-administered brownfield grant program – **the Tennessee Brownfield Redevelopment Area Grant (BRAG) – to direct funds for investigation, assessment, and remediation** to communities.
2. Incentivizes brownfield cleanup in smaller, rural communities (Tier 3 & 4 Enhancement Counties) by **expanding the Brownfield Franchise and Excise Tax Credit to include both purchase AND remediation costs.**
3. Amends the Brownfield Tax Increment Financing (TIF) law to **remove geographic barriers to use and expand eligible qualified project costs** to mirror those authorized under the Uniformity in TIF law.

The law promotes conservation of Tennessee's agricultural, recreational, and open space lands by encouraging environmentally sound redevelopment of properties blighted by real or perceived contamination.

# Brownfield Redevelopment Area Grant (BRAG)

- \$5M recurring in grant funds; individual grants are capped at \$500,000 annually per eligible entity.
- Eligible applicants include “political subdivisions of the state, including, but not limited to, a county, municipality, development district, or development board.”
- Complements existing grant offerings administered by TNECD and EPA

Tennessee Chamber of Commerce & Ind...

4,133 Tweets

Following

The [#TNChamber](#) was proud to support this legislation and looks forward to seeing former industrial sites across Tennessee be cleaned up and turned into economic development areas.



# BRAG Project Types

## Identification

- The creation of an inventory of brownfield sites, which may span multiple locations.  
Maximum Grant - \$20,000 Contract Term - 12 months

## Investigation

- Conducting a Phase I Environmental Site Assessment (ESA), conducted in accordance with the current ASTM E-1527 standard, a Phase II Environmental Site Assessment conducted in accordance with the current ASTM E1903 standard, or any other environmental investigation.  
Maximum Grant - \$100,000 Contract Term - 24 months

## Remediation


- Any action to contain, remove, mitigate, or dispose of hazardous substances, pollutants, other contaminants, or petroleum products, at a brownfield site. This may include certain types of demolition performed at a brownfield and the installation or upgrade of the minimum amount of infrastructure that is necessary to make a brownfield property usable.  
Maximum Grant - \$500,000 Contract Term - 24 months

# Job Tax Credit Enhancement Counties (TNECD.com)




## INCENTIVE TIERS


 Tier 1

 Enhancement Counties: Tier 1: \$4,500 jobs tax credit with 15 year carry forward.


 Tier 2

 Enhancement Counties: Tier 2: \$4,500 jobs tax credit with 15 year carry forward plus additional 3 years at \$4,500 per year with no carry forward.

 Tier 3

 Enhancement Counties: Tier 3: \$4,500 jobs tax credit with 15 year carry forward plus additional 5 years at \$4,500 per year with no carry forward.

 Tier 4

 Enhancement Counties: Tier 4: \$4,500 jobs tax credit with 15 year carry forward plus additional 5 years at \$4,500 per year with no carry forward.



# Voluntary Oversight and Assistance Program

State liability protections under a Brownfield Voluntary Agreement.

- Limits liability to the obligations set forth therein and exempts any further liability under all statutes administered by the department for contamination “identified and addressed”.
- Serves as an approved administrative settlement pursuant to 42 U.S.C. § 9613(f) (CERCLA).



# BRAG Application Process



## TDEC Grants Management System

Welcome to the TDEC Online Grants Management System! We are excited to offer a more streamlined and easier way to submit applications and grants management for funded projects.

### How to Use the System

The first step is to register as an individual and affiliate with an organization by clicking the button below labeled: Register Here. Once you have registered, you can log on anytime to apply for funding opportunities, review active grants, view past submissions, and submit reimbursements and reports for funded projects.

### New to the system?

### Login

Email:

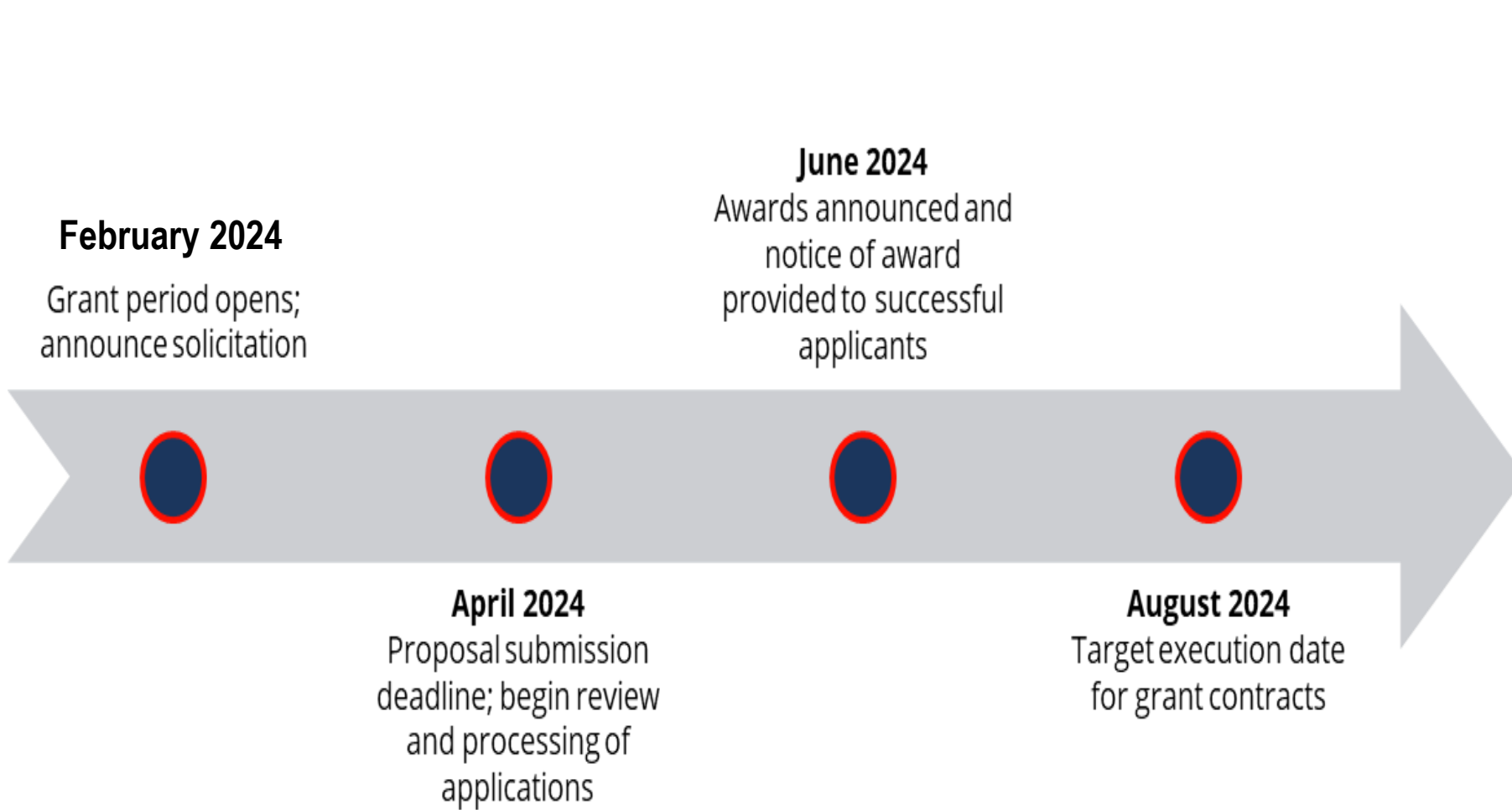
Password:

Login

[Forgot Password?](#)

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# Tentative BRAG Timeline 2024



**Scan the QR code to  
sign up for updates!**



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# Current Status

- Collateral is currently being designed.
- GMS is currently in build out-- ETA end of January
- Online newsletter sign-up has over 300 individuals subscribed
- 50 applications @ \$100k - \$5M

