



Brownfields Redevelopment



Wisconsin Programs and Proposals, 2001

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Brownfields are:

- Former industrial or commercial sites
- Currently abandoned or underutilized
- Suspected or known to be contaminated with toxic materials, such as:
 - ◆ Carcinogens (Benzene, VOCs, Perchloroethylene)
 - ◆ Neurotoxins (lead, mercury)
 - ◆ Liver toxins

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Barriers to Redevelopment

- Cost
- Uncertainty
 - ◆ Presence of contamination
 - ◆ Investigation and clean-up costs
 - ◆ Clean-up time
 - ◆ Financing
 - ◆ Finality

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Barriers and Strategies

Cost

STRATEGIES

Reduce cleanup costs

EXAMPLES

- Cap-in-Place
- Deed restrictions
- Natural Attenuation
- Bioremediation

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Barriers and Strategies

Subsidies

EXAMPLES

- **More than 30 programs**
- PECFA and Dry Cleaners Fund
- Commerce Grants
- DNR BEAP and SAG Grants
- DNR Land Recycling Loans
 - 0% interest, 0.5% fee

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Barriers and Strategies

Subsidies

Examples

- Development zone tax credits
- CDBG funds
- TIF and ER-TIF

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TIF and ER-TIF

Tax Incremental Financing is probably the largest source of subsidy for brownfields cleanup

- ER TIF advantages:
 - Available to counties and towns as well municipalities
 - No TIF cap

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Barriers and Strategies

BARRIER:

Uncertainty about
contamination

- Increase information available about sites
 - DNR web page
 - Searchable database
<http://www.dnr.state.wi.us/org/aw/rr/brrts/index.htm>
 - Internet GIS (coming soon)
<http://www.dnr.state.wi.us/org/aw/rr/brrts/gis.htm>
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Barriers and Strategies

Uncertainty about Costs

- **Voluntary Cleanup Programs**
 - ◆ Owners eligible
- **Municipal Exemptions**
- **Off-Site Source Exemption**

Uncertainty about Time

- Stream-line bureaucratic approval

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Barriers and Strategies

Uncertainty about financing

- Clarification of lender liability

Uncertainty about finality

- Voluntary Cleanup Programs protect from future liability

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Remaining Barriers

- Back taxes
- Cumbersome application procedures
- Limitations on eligibility of some programs
- Limitations on applicability of tax credits
- Limitations on funding available
 - Commerce Grant program: \$15.8 million available from 1997-2000
 - Requests exceeded \$58 million
 - Funded projects increased value by \$225 million

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Remaining Barriers

- No programs for redevelopment as open space
 - Stewardship funds may not be used for cleanup, only for acquisition—and too little money
- No programs for area-wide remediation, as in the Menomonee Valley

Incentives for Local Gov't

- Allow counties and City of Milwaukee to sell tax delinquent brownfields through negotiation rather than competitive bidding
- Modify expenditure restraint so that back taxes paid by municipality to county does not count against the restraint cap
- Clarify “slum and blight” to include “environmental pollution” as eligible for condemnation

Resources

- DNR Remediation and Redevelopment web page (<http://www.dnr.state.wi/org/aw/rr>)
 - Financial Resource Guide for Cleanup and Redevelopment
<http://www.dnr.state.wi.us/org/aw/rr/archives/pubs/RR539.pdf>