What is a Brownfield Site?

“Real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.”*
MYTH vs. FACT
MYTH:

Brownfield sites are all large, former industrial or manufacturing sites.
FACT:

While some brownfield sites are large former industrial sites, the majority of the estimated 500,000 to 1 million brownfield sites in the United States are small properties like dry cleaners, vacant lots, or gas stations.
MYTH:

A site must be contaminated to be considered a brownfield.
FACT:

The perception that a property may be contaminated can be just as great a barrier to redevelopment as actual contamination.

One third of the brownfield sites that have been assessed with EPA brownfield funding have turned out to be free from significant contamination.
MYTH:

Superfund sites are brownfields, or brownfields are Superfund sites.
FACT:

Under the statutory definition, brownfields do **NOT** include Superfund sites on the National Priorities List (NPL).

A small number of Superfund sites, approximately 1,200, have been designated NPL sites and are managed under a more elaborate process than most brownfield sites.*
MYTH:

Brownfields are an "environment-only" issue, or an EPA only problem.
FACT:

While brownfields by definition involve real or perceived environmental contamination, the solutions to brownfield problems almost always involve much broader issues including:

- economic reuse,
- neighborhood improvement,
- infrastructure and transportation capacity,
- job creation,
- tax incentives,
- crime prevention, and
- many other approaches.
Benefits of Brownfield Revitalization

- $1 of public investment in brownfield redevelopment leverages $8 in total investment
- $10,000 in public investments creates/retains one job
- Cleanup/redevelopment leads to 5%-15% increase in property values within $\frac{3}{4}$ mile of site.
Benefits of Brownfield Revitalization

- Public investment typically recouped from local taxes generated within 3 years.

- Lower Infrastructure Costs
  - Greenfield - $50K-$60K
  - Brownfield - $5K-$10K

- Air/Water Quality Improvements
  - 20%-40% reduction in Vehicle Miles Traveled (VMT)
  - Higher Density = lower run-off
Mississippi Brownfield Program

• Zero funding from State taxes for MDEQ staff oversight of assessment/cleanup.

• Fee funded (less than 5% of total brownfield investment) - $100/hr.

• Statutory Liability Protection

• Public is given opportunity to review/comment on Corrective Action Plan

• MDEQ Oversight Costs eligible under MERA
<table>
<thead>
<tr>
<th>Brownfield Site Name - Location</th>
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<tbody>
<tr>
<td>1  Amoco/AFTA - Natchez</td>
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<tr>
<td>2  Arizona Chemical – Picayune</td>
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<tr>
<td>3  CECO Building Systems – Columbus</td>
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<td>4  City Center – Ridgeland</td>
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<td>5  Colle Towing – Pascagoula</td>
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<tr>
<td>6  Coplah Co., MECO Property - Galloway</td>
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<td>7  Emerson Appliance Motors Div. - Oxford</td>
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<td>8  DeSoto Co. School Bus Lot – Hernando</td>
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<tr>
<td>9  Fabra Care Master Dry Cleaner – Jackson</td>
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<td>10 Gautier Oil – Gautier</td>
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<tr>
<td>11 Gulfport Tire - Gulfport</td>
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<tr>
<td>12 Intex Plastics/Hatco Plastics – Corinth</td>
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<tr>
<td>13 Mississippi School For the Blind - Jackson</td>
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<tr>
<td>14 Mound Plantation Red Barn – Rolling Fork</td>
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<tr>
<td>15 Nashville-Ferry Rd/Glenn Springs - Columbus</td>
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<tr>
<td>16 National Picture &amp; Frame/Uniek - Greenwood</td>
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<tr>
<td>17 One Hour Cleaners – Starkville</td>
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<tr>
<td>18 Pennzoil-Quaker State – Vicksburg</td>
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<tr>
<td>19 Pilot Travel Center – Richland</td>
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<tr>
<td>20 Swifty Serve #542 – Moss Point</td>
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<tr>
<td>21 Tupelo Fairgrounds/Longs Laundry – Tupelo</td>
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<tr>
<td>22 W.R. Grace Solvent Waste Site - Corinth</td>
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<tr>
<td>23 West Manufacturers Blvd. - Brookhaven</td>
</tr>
<tr>
<td>24 Whirlpool Corp. - Oxford</td>
</tr>
<tr>
<td>25 Wolverine Tube - Greenville</td>
</tr>
</tbody>
</table>
Small Brownfield

Fabra Care Master Dry Cleaners
Jackson, Mississippi
Large Brownfield

Whirlpool Corporation
Oxford, Mississippi
Government Brownfield Projects

Pelican Landing
Conference Center
Moss Point, Mississippi
Private Sector

Former Pilot Travel Center
Public-Private Partnerships

DeSoto County School Bus Lot Brownfield Project
Public-Private Partnerships

$321K in total tax revenue over the last 10 years

16.4% ROI on initial Brownfield Grant investment
2012

Signet Maritime Expansion
Pascagoula

Sept. 2012 - Brownfield Agreement

- Responsible Party Negotiations
- Cleanup Linked to Redevelopment Plans
- Collaboration (SOS, MDA, Private Sector)
- Governor’s Press Release (Jan. 2013)

Outcomes

- $7.2M Investment
- Workforce Increase of 50 people in 3 years
- Port berthing/drainage enhancements
Mississippi Phoenix Awards
National Brownfields Conference
2012 Phoenix Award Winner

Jackson Federal Courthouse
General Services Administration (GSA)
2011 Phoenix Award Winner

Circa 1960
Gautier Oil Site
2011 Phoenix Award Winner

Before
Gautier Oil Site

After
Gautier Oil Site
2011 Phoenix Award Winner

Before
Gautier Oil Site

After
Gautier Oil Site
2011 Phoenix Award Winner

Before
Gautier Oil Site

After
Gautier Oil Site
Mississippi Economic Redevelopment Act

§57-91-1 of Mississippi Code

Jere “Trey” Hess, Chief
Groundwater Assessment & Remediation Division
January 2015
MS Economic Redevelopment Act

- Key Features:
  - PRIVATE SECTOR Incentive
  - Tax REBATE for a single project
  - All state taxes (sales, income, and franchise taxes) will be rebated to the developer for fifteen years or $2\frac{1}{2}$ times the cleanup costs, whichever is less.
  - Effective 7-1-13, it was expanded to include brownfield sites subject to a brownfield agreement with MDEQ.
Example Project

Removing An Underground Storage Tank and Contaminated Soils……
Example Project

..... And Redeveloping it into a Coffeehouse
Example Project

• Developer wants to convert the former gas station site on corner of Town Square into a coffeehouse.
• Underground Storage Tank remains
  • Approx. $25,000 to properly remove
• Contaminated Soils
  • Approx. $25,000 to properly remove
• What to do?
Example Project

- Developer gets loan from Bank for acquisition, development, and the $50K cleanup
- City/County approves Brownfield Redevelopment Area
- Developer applies to MDA for approval
- Developer reaches Brownfield Agreement with MDEQ for proper cleanup
- Developer secures tenant and lease
- Redevelopment takes place
- Sales, income, franchise taxes collected
Example Project

- Developer receives up to $125K (i.e., 2.5 times cleanup costs) to pay back bank for cleanup ($50K) and as an incentive ($75K) to take on the brownfield project risk.
- City gets jobs, blight removed, clean site, and all sales, income, franchise taxes over the $125K incentive.
- Property taxes not affected and will likely increase due to change in use.
The District at Eastover Jackson

October 2013 - Brownfield Agreement

- Asbestos Abatement & Transformer disposal
- Cleanup Linked to Redevelopment Plans
- Collaboration (DFA, Private Sector)

Expected Outcomes

- $150M Development in Jackson
- Create 600 jobs
- 500,000 sq. ft. of retail, office, residential
2014
The Mill at MSU
Starkville

May 2014 – Redevelopment Begins

• Asbestos Cleanup
• Underground Storage Tanks

February 2014 - Brownfield Agreement

• Cleanup is linked to Redevelopment Plans
• Collaboration (City, MDA, Private Sector)
• Historic & New Market Tax Credits

Expected Outcomes

• Mixed Use Development
• Conference Center, Hotel, Garage, Retail
• Garage goes to MSU after 10 year lease
EPA Brownfield Grant Program
Brownfield Grant Program Components

- Assessment $200K / 3 yrs (ZERO match)
  - Coalitions $1M / 3 yrs (ZERO match)
- Cleanup $200K / 20% match / 3 yrs
- Revolving Loan $1M / 20% match / 5 yrs
- Job Training $200K / 2 yrs

- Assessment Grants – Money can be used on PRIVATE and public property
EPA BROWNFIELD GRANTS

2012 EPA Grantees ($400K for 3 years)
Columbus
Hernando
McComb

National Numbers
683 Proposals
$263.3M Requested
172 Awarded
$58.9M Awarded

Batting Average
National – .252 (172/683)
Region 4 - .177 (20/113)
MS 2012 - .200 (3/15)
MS 2011 - .167 (2/12)
MS 2010 - .000 (0/8)
MS 2009 - .067 (1/15)
2013 EPA Grantees ($400K for 3 years)

Greenville
Holly Springs
Moss Point
Pascagoula
Starkville
West Point

National Numbers
654 Proposals
$244.2M Requested
240 Awarded
$62.5M Awarded

Batting Average

National - .366 (240/654)
Region 4 - .177 (20/113)

MS 2013 - .600 (6/10)
MS 2012 - .200 (3/15)
MS 2011 - .167 (2/12)
MS 2010 - .000 (0/8)
MS 2009 - .067 (1/15)
2014 EPA BROWNFIELD GRANTS

2014 EPA Grantees
($400K for 3 years)

Biloxi
Corinth
Gautier
Laurel
Monroe Co.

National Numbers
590 Proposals
199 Awarded
$67M Awarded

Batting Average
National – .337 (199/590)
Region 4 - .223 (27/121)
MS 2014 - .417 (5/12)
MS 2013 - .600 (6/10)
MS 2012 - .200 (3/15)
MS 2011 - .167 (2/12)
MS 2010 - .000 (0/8)
MS 2009 - .067 (1/15)
2015 EPA BROWNFIELD GRANTS

2015 EPA Grant Applicants

Columbia
Greenwood
Isola
Natchez
Rankin-Hinds Pearl River Flood Control & Drainage District

AWP Grant Award – MS Conference of Black Mayors for Itta Bena

Batting Average

MS 2015 - .???? (??/6)
MS 2014 - .417 (5/12)
MS 2013 - .600 (6/10)
MS 2012 - .200 (3/15)
MS 2011 - .167 (2/12)
MS 2010 - .000 (0/8)
MS 2009 - .067 (1/15)
Questions?