



Left Field Funding for Brownfields Projects

CCLR-NPCR

ECONOMIC AND COMMUNITY REVITALIZATION

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Redevelopment Economics

Representative Engagements:	Client:
Brownfields Plans and Strategies	Portland Metro, City of Portland, Carlisle, Centralina COG
Brownfields Policy Analysis	State of Washington Department of Ecology
Tax increment Financing Feasibility	Carlisle, PA
TIF Policy Analysis	State of MD Sustainable Growth Comm.
Economic, Fiscal, and Envir'l Impacts of Brownfields Investments	Wisconsin, Massachusetts, New York, Oregon, Maryland, US EPA; 3 specific projects
Green Job Strategy	Allegheny River Towns Enterprise Zone
Redevelopment Financing Assistance	Washington County PA; Three developers
Market Analysis	Philly Musician's Live-Work Lofts
Sustainable Energy linked to Redevelopment	NYSERDA



Outside the Brownfields Silo –

Under-utilized Funding Sources

Economic Development:

- EB5
- Insurance recovery
- HUD 108
- Local mechanisms
 - TIF
 - PILOT
 - Tax abatement
 - Land Banks

Environmental enhancement:

- CWSRF
- Environmental Benefit Projects

EB5

- Investors gain green card
- \$1 million investment or \$500,000 in Targeted Employment Areas
- Job creation requirement (10 jobs)
- Loan or equity w/. low interest rates or return
- Regional Centers make connections
- Brownfields match



Syracuse Aloft Hotel

- Inner Harbor – 28 ac, \$350 Mil
- EB5 - \$4 million Empire State EB-5 Fund.
- Central New York REDC \$4.5 million

Insurance Recovery

- Insurers can be held liable for cleanup under CGL policies, with favorable factors:
 - Favorable state laws and court precedents
 - Release before 1980-85
 - Cooperative employees/former owners
 - Cleanup costs are high enough to justify legal costs



Indianapolis

- \$6 million insurance settlement vs Ertel Manufacturing Co
- Facilitated 500-job expansion of Major Tool
- 3-5 more sites being pursued

NYS Resources:

- Insurance Archeology Group, NYC
- Tim Lambrecht, Wladis Law Firm



HUD 108 Loans

- Borrow up to 5 times CDBG allocation
- CDBG rules apply
 - Slums/Blight – tough
 - Low-Mod Benefit
- Security – CDBG allocations
- Mezzanine financing advantages:
 - Low interest
 - Subordinate position
- Matches up well with TIF

HUD 108 Loans

Baltimore examples of creative use of HUD 108

- Montgomery Park
 - \$8 mil HUD 108
 - Slums and blight
 - Protected CDBG w/ 4 sources

- Gateway South
 - \$18 million HUD 108, TIF as repayment source

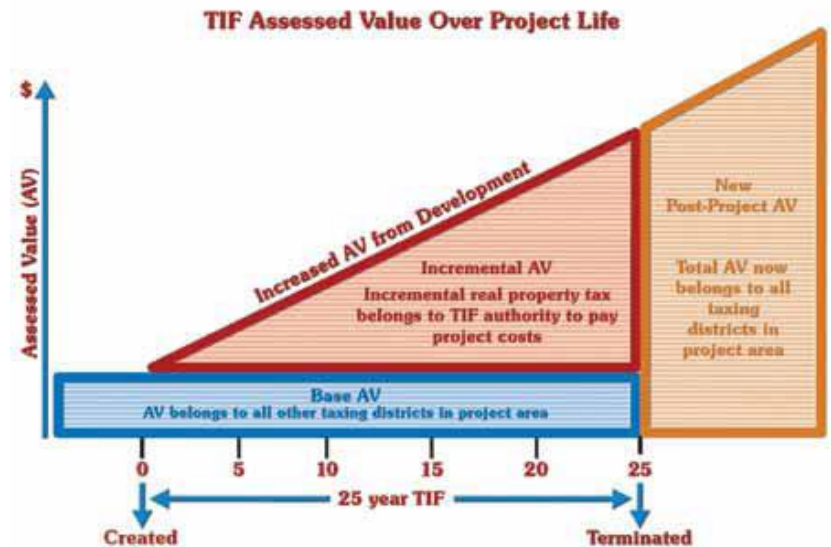


Local mechanisms

TIF, PILOTs, Tax Abatement, Land Banks

TIF

- Not usually used in NYS
- 2012 reforms cleared way for school district participation
- Continuing legal obstacles
- Pay-as-you-go for brownfields costs?



Local mechanisms

TIF, PILOTs, Tax Abatement, Land Banks

PILOT Increment Financing (PIF)

- Like TIF but requires:
 - Property tax exempt
 - Project eligible for property tax credit
 - PILOT agreement
 - Developer paying full taxes
 - Difference between full taxes and PILOT becomes TIF-like revenue stream

Buffalo Lakeside Commerce Park



- Former Hannah Furnace site, 250 acres
- CertainTeed

Local mechanisms

TIF, PILOTs, Tax Abatement, Land Banks

Tax abatement

- Rochester –
 - tax abatement paid for brownfields costs
 - Eastside landfill
 - Outer Loop Industrial Park

Land Bank

- Rochester Staub's Dry Cleaner site
 - Abandoned, tax delinquent, contaminated
 - Pike Construction expansion
 - Land Bank LLC
 - Bypasses tax sale
 - State Superfund \$2.0 mil. for cleanup
 - 250 jobs retained, 100 relocated, \$5 mil investment



Sources for Environmental Restoration

Clean Water State Revolving Fund

- Low interest loans up to 20 years
- Nonpoint source projects:
 - stormwater management projects
 - Habitat restoration
 - Landfill closures
- **Green Innovation Grant Program**
 - Green infrastructure
 - Spur innovation in stormwater management

Environmental Benefit Projects

- Greenpoint Community Environmental Fund
 - Exxon-Mobil Supplemental Environmental Project
 - Green infrastructure
 - Bio-swales
 - Design of Greenpoint Monitor Museum USS Monitor Park





Contact Info

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