

Recent Changes in Connecticut that Can Impact Attracting Investors to Municipal Brownfields Projects

PULLMAN & COMLEY, LLC

**Presented by
Lee D. Hoffman
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Recognition of Brownfield Issues

- Obviously an important issue to municipal growth
- Potential federal and state liabilities
- Confusing infrastructure
- Disincentives for municipalities to take the lead

Recognition of Brownfield Issues

- Governor's Office
 - OPM – Office of Responsible Growth
 - Office of Brownfield Remediation and Development - DECD
 - Connecticut Development Authority
 - Dep't of Environmental Protection
- Legislature - Brownfields Task Force

The Brownfields Task Force

- Nine members
- Six months of hearing and testimony
- Input from all stakeholders
- Looked to other states' best practices
- Delivered recommendations to
Legislature

The Legislature Implements the Recommendations of the Brownfields Task Force

- Bill No. 7369 – “An Act Implementing the Recommendations of the Brownfields Task Force” (“the Act”)
- Passed on second last day of session
- Still needs funding

Key Provisions of the Act - OBRD

- OBRD to act as clearing house
- More formal integration of agencies
- Pilot program to remediate five brownfields:
 - Smaller towns are specifically included
 - Subject to funding

Key Provisions of the Act – New Financial Assistance Program

- New program to obtain financial assistance for brownfield projects
- Municipalities are eligible applicants
- Can provide loans and/or grants
- Separate account will house funds

Key Provisions of the Act – New Financial Assistance Program

- Criteria for financial assistance:
 - Fund availability
 - Estimated cost of remediation
 - Economic condition of municipality
 - Relative need of the project
 - Need for inducements for the project

Key Provisions of the Act – New Financial Assistance Program

- Criteria for financial assistance, cont'd:
 - Health and environmental benefits
 - Economic benefits
 - Timeframe of contamination
 - Relationship of applicant to parcel
 - DECD free to add other criteria

Key Provisions of the Act – Prioritization of Sites

- DECD and OPM to work together
- Establish pilot program to identify and evaluate brownfield sites
- DECD and OPM to coordinate with other state and local agencies
- Coordination of permitting and funding as well

Key Provisions of the Act – Adding Flexibility to “the Upjohn Statute”

- C.G.S.12-63e did not allow municipalities consider contamination when assessing certain properties
- Municipalities now MAY take such contamination into account
- May ease tax increment financing

Other Key Provisions of the Act

- Allows for redevelopment of parcels in the flood plain – mill redevelopment
- Gives firmer deadlines for Transfer Act submissions
- Gives firmer deadlines for LEP audits
- Expands DEP's voluntary programs

Where Are We Heading – Short Term

- Brownfields Task Force has been reconstituted
- Addition of OPM to enhance relationship between Governor and Legislature
- Focus is on tax credits and insurance for now

Where Are We Heading – Long Term

- New focus being put on remediation programs
- Remediation regulations will be redone
- Other remediation programs being updated
- **BIG QUESTION** – Balancing risk against renewal

What is the Intelligent Response?

- Look for funding, especially for site assessments – both federal and state
- Know the property owners, if possible
- Think about marketing the properties to prospective buyers
- Remember that this is a real estate deal, not an environmental one

Where to Go for Help

- EPA New England
- Office of Brownfield Remediation and Development
- National Brownfield Association
- National and state conferences

Don't be shy

The resources are available.

Questions and Answers

PULLMAN & COMLEY, LLC

Bridgeport

Greenwich

Hartford

Stamford

Westport

White Plains

www.pullcom.com

© 2007 PULLMAN & COMLEY, LLC

Lee D. Hoffman
Pullman & Comley, LLC
90 State House Square
Hartford, CT 06103
860-424-4315
lhoffman@pullcom.com

PULLMAN & COMLEY, LLC

Bridgeport

Greenwich

Hartford

Stamford

Westport

White Plains

www.pullcom.com

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