

# Brownfields Redevelopment

Department of Environmental Quality  
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# What is a Brownfield?

- A brownfield is an abandoned, idled, or underutilized industrial or commercial property where expansion or redevelopment is complicated by real or perceived environmental contamination.

# Key Brownfield Concepts

- Brownfield projects are real estate transactions with an environmental component
- Creating equity between greenfields and brownfields is key (level the playing field)
- Economic development is typically the motivation for redeveloping brownfield sites
- DEQ plays an integral role in facilitating brownfield redevelopment successes

# What Are Typical Concerns to Prospective Participants?

- Unknown liability
  - (State, Federal, 3rd party)
- Unknown costs
- Unknown regulatory process
- Additional/undiscovered contamination
- Difficulty getting a bank loan
- Possible civil action by neighboring property owners

# Virginia's Brownfield Program

- Limitations on liability for individuals not responsible for the contamination
  - bona-fide prospective purchasers
  - innocent land owners
  - local governments with involuntary acquisition
  - lenders
- Amnesty from civil penalties for self-disclosure
- Voluntary Remediation Program

# Virginia's Brownfield Program, cont'd.

- Site assessment assistance (federal grant)
- Federal grants to localities for redevelopment projects
- Low-interest loans for remediation costs
  - Virginia Wastewater Treatment Revolving Loan Fund
  - Virginia Brownfields Restoration and Land Renewal Fund
- Tax incentives
  - Federal income tax deduction for clean up costs
  - Local property tax reductions for VRP sites (local option)

# Success of program

- Virginia has realized:
  - An increased interest in redevelopment
  - 122 sites with successful cleanups under VRP
  - 40 Brownfields projects underway
  - Estimated benefits
    - over \$700M in capital reinvestment
    - over 700 full time jobs created
    - 500 jobs saved
    - over 2,500 part time jobs created
    - 1,700 acres cleaned up

# Localities are interested in the program

- Applicants for federal Brownfield grants:
  - Bristol, Danville, Poplar Gap, Roanoke, Hampton, Richmond, Norfolk, Suffolk, Lynchburg, South Boston, Lake Anna, Bedford
  - Hampton and Richmond received \$200k each



# Community Benefits

- Cleaner environment
- Restoration of abandoned sites
- Reduced pressure for development of open spaces
- Stimulation of local economies
- Increased tax base
- Increased employment opportunities

# What Do Developers Seek?

- location location location
- reduced liability
- reduced up front costs
- program predictability & certainty
- ability to comfort future owners/tenants

# Residential Brownfields

- DEQ takes a more conservative approach based on (exposure) risk factors
- Higher levels of cleanup may be required
  - compared to commercial use
- Certain kinds of sites don't make for good residential reuse
  - sanitary landfills
    - many new owners, less control
    - landfill gas

# Residential Success Stories

- Clarendon Triangle
  - Arlington VA
  - High end
  - Mixed use
    - residential (apartments)
    - retail
  - \$45M investment
  - Petroleum cleanup
- Rocketts Landing
  - Richmond VA
  - High end
  - Mixed use
    - residential (condos)
    - retail
  - \$250M investment
  - Multi site cleanup

# Success Story



*CLARENDON TRIANGLE  
PROJECT IN ARLINGTON, VA*



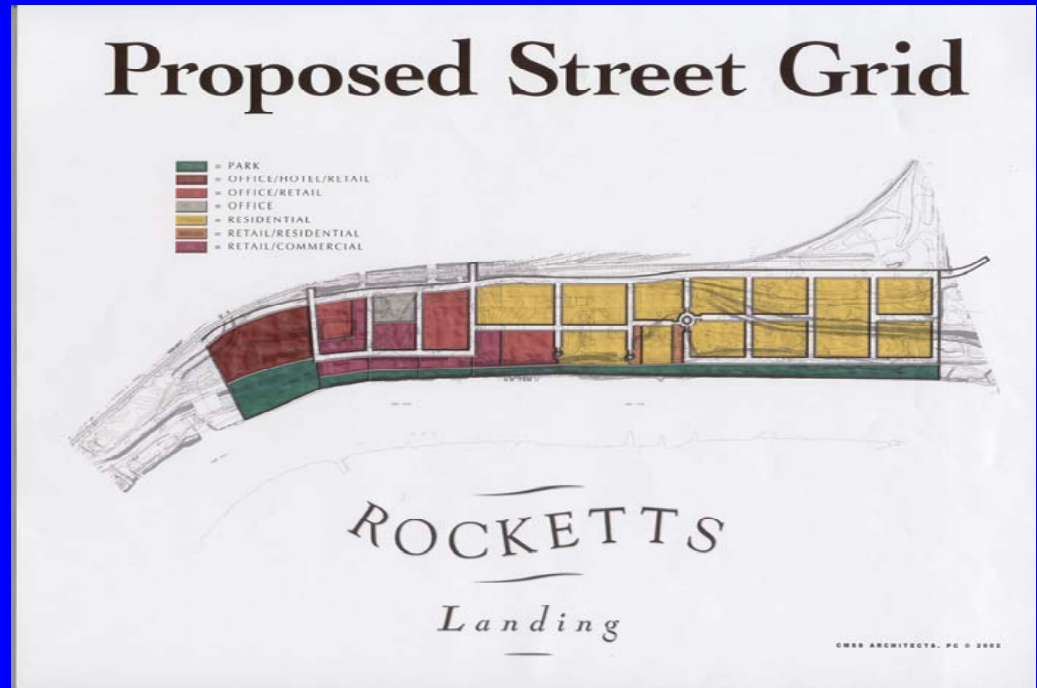


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# Success Story



*Rocketts Landing, Richmond, VA*



CMSS Architects, PC © 2002

# ROCKETTS

*Landing*



# Virginia's Land Renewal/Brownfield and Voluntary Remediation Programs

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