

128(a) Funding

Congress passed the Small Business Liability Relief and Brownfields Revitalization Act (the Act) in 2002 to “promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.” The Act established a competitive grant program for municipalities and economic development authorities (i.e., local community grantees) known as Section 104(k). Congress also recognized that states need support in order to develop and improve their brownfields and other voluntary site cleanup programs and established a grant program known as Section 128(a).

The New England states have a legacy of former industrial sites and therefore have a large number of brownfields. To address this challenge, VT DEC was among the first agencies to receive 128(a) funding and has been using it to implement their program since 2003.

The nationwide success of the EPA Brownfields Program, particularly in New England, has resulted in a growing demand among states and tribes for 128(a) funding.

However, Congress set a cap on the maximum annual funding for 128(a) grants at \$50 million. EPA is now unable to meet the demand of all of the states and tribes that need support; and therefore has had to reduce funding for long-standing programs, like the one in Vermont. As a result, 128(a) funding to VT DEC was cut by approximately 25 percent between 2008 and 2012. The ability for VT DEC to provide the services that brownfields projects require to be successful has been severely compromised.

Unless Congress amends the Act and allocates more resources, additional cuts to VT DEC are likely in the future. A potential solution is for Congress to increase or remove the cap on 128(a) funding and allow EPA to provide states with the resources needed to ensure that the federal funds provided to communities for brownfields projects result in success.

VT DEC Program Highlights

The Brownfields Reuse Initiative is administered by VT DEC in collaboration with the Vermont Agency of Commerce and Community Development and Regional Planning Commissions. The Initiative comprises several programs designed to provide grantees with tools to help deliver projects in a safe, timely, and cost effective manner and focuses on three key areas: limitation of environmental liability; financial assistance; and technical assistance. In particular, **Vermont’s Brownfields Environmental Liability Limitation Program (BRELLA)** provides a mechanism for developers to receive liability protections from the State of Vermont, with a more defined path towards site closure and access to available funding mechanisms.

VT DEC and the Northeast Waste Management Officials’ Association (NEWMOA) cooperated on the development of this publication.

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www.anr.state.vt.us/dec/wastediv/sms/brownfieldshome.htm



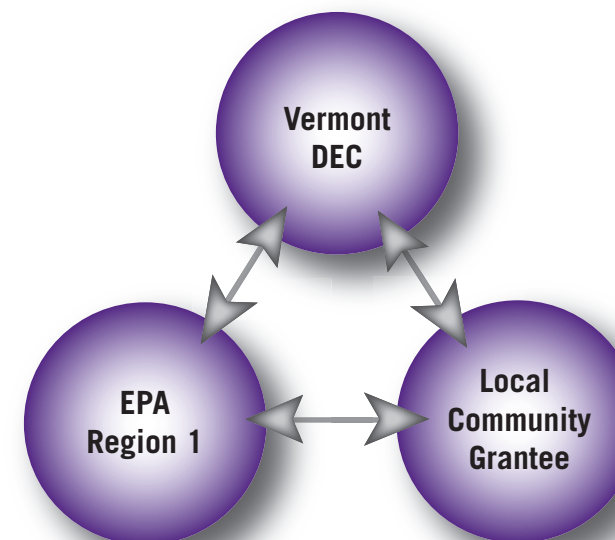
Getting Properties Back to Work

Waste Site Cleanup Programs Key for Vermont Communities



Brownfields are real property, where the expansion, redevelopment, or reuse may be complicated by the release or threatened release of a hazardous material. Many brownfields are abandoned, lack financially viable owners, and are a blight on their communities. The State of Vermont established the Brownfields Program in 1995 to support the assessment and cleanup of brownfields and leverage public and private redevelopment investment that would otherwise not occur. Cleaning up and reinvesting in brownfields facilitates job growth, increases local tax bases, utilizes existing infrastructure, reduces development pressures on open land, and improves the environment. The State of Vermont and the U.S. Environmental Protection Agency (EPA) support brownfields assessment and cleanup through a variety of grants to eligible applicants.

The success of Brownfields remediation and redevelopment projects in Vermont depends on a partnership between the Vermont Department of Environmental Conservation (VT DEC), the individual Grantees, and EPA Region 1. All three entities bring something different to the table. Each is important and key to the success of a Project.



EPA Region 1 provides funding to local communities and regional economic development agencies, including funds for environmental investigation and cleanup. EPA Region 1 manages the grant, providing oversight and strategy guidance. EPA also provides limited technical assistance and outreach to the public.

The **Grantee** is usually a municipality, regional planning commission, or other local entity. Grantees typically own the site chosen for remediation and redevelopment, and therefore, have important relationships with the community, particularly local residents and developers.

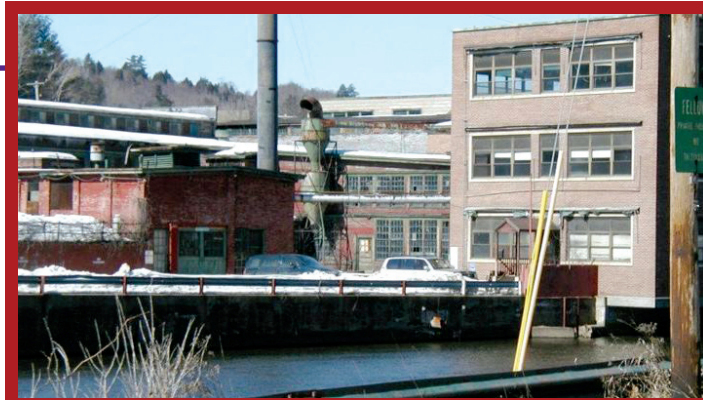
VT DEC's involvement is vital to a project's success because they contribute *technical and financial assistance* to grantees that intend to redevelop a brownfield. VT DEC works with each grantee to educate them on the brownfields process, review proposals, and provide outreach and education. This assistance includes the review of all necessary documents, from Phase I environmental site assessments to Phase II work plans and reports, as well assistance with corrective action planning, direct oversight of cleanup activities, and coordination with other state agencies to facilitate a cohesive project.

EPA funding enables VT DEC to devote resources to promoting brownfields redevelopment, enhancing the capacity of the State's cleanup programs, and providing the technical expertise to keep a project moving forward. Key program highlights include:

- Project continuity, which is especially important because many grantees experience staff turnover that would otherwise result in significant delays.
- Assistance with developing work plans, site assessment reports, feasibility investigations, and corrective action plans to ensure the clean-up of the site is completed in a timely and cost effective manner.
- Regular site visits and inspections to confirm that the remediation and redevelopment process is going smoothly.

- Outreach to grantees, potential developers, and the general public to explain program requirements and cleanup standards and ensure understanding and participation in the process, while helping to simplify and expedite cleanups, reduce risks, and enhance compliance.
- Access to information about funding sources available in Vermont to help assess, cleanup, and redevelop sites.
- Recommendations for alternative approaches, which often save significant regulatory, assessment, and cleanup expenses.

VT DEC serves as the glue that holds projects together. Their involvement often makes the difference between the success and failure of each brownfields project.



Gear Shaper Facility – before and after

Spotlight: Fellows Gear Shaper Factory

One Hundred River Street, a 160,000 square-foot facility, home to medical offices, restaurants, and shops, sits on the site of the former Fellows Gear Shaper Factory in Springfield. The property was first developed in 1836 and operated as a milling shop, wood doll shop, and carriage painting facility. Fellows Gear Shaper purchased the property in 1896 and operated a machine tool manufacturing facility until 1972.

The owners of Fellows conveyed the property to the Town of Springfield, which, in turn, transferred it to

“VT DEC was a critical partner in the One Hundred River Street redevelopment project. They were vital in understanding the vision of the developers and finding a way to make that work, collaborating with the environmental consultant, EPA, and other regional and state partners.”

*— Bob Flint,
Springfield Regional Development Corporation*

Precision Valley Development Corporation (PVDC). PVDC operated the site as a multi-tenant facility for many years, but as time went on, the property fell into disrepair and by the early 2000s, it had visibly decayed and there were only a handful of tenants. The site was contaminated with asbestos, polychlorinated biphenyls (PCBs), and volatile organic compounds (VOCs). Environmental assessments identified several other challenges for redevelopment, including the need to remove soil contaminated with oil.

The remediation process was complicated and involved various regional and other state agencies. VT DEC worked closely with the Town of Springfield to facilitate various public resources in concert with the plans of an out-of-state developer. Now the site has become a completely revitalized, economic asset for downtown Springfield.

“VT DEC was a valuable partner in this very complex project. The Department’s extensive knowledge of PCB remediation methods and their flexible approach to cleanup was invaluable in the remediation process. In addition, VT DEC acted as a liaison between the developer and EPA on many technical issues which was critical in bringing the project to fruition.”

*— Tom Kennedy,
Southern Windsor County Regional Planning Commission*

Spotlight: Johnson Community Housing Project

The property at 182 School Street in Johnson, VT is a desirable location overlooking the Gihon and Lamoille Rivers, which are major recreational and scenic resources for the community. It was formerly owned by the Vermont Electric Cooperative but sat vacant for years. In 2005, the site was enrolled in the Lamoille County Brownfields Reuse Program.

VT DEC was involved from the beginning with assisting the property owner and developer with moving the project towards redevelopment. The Phase I environmental site assessment identified soils contaminated with PCBs and polycyclic aromatic hydrocarbons (PAHs). Additional site assessments and a comprehensive

remediation plan that included testing, cleanup, and removal of the impacted soils; and demolition of the main building followed.

The \$6.3 million redevelopment project of the Lamoille Housing Partnership and Housing Vermont yielded 24 new affordable apartments for seniors and families, as well as numerous jobs related to the construction of the project.



Johnson Community Housing Project – before and after

“With the technical assistance provided by the VT DEC staff, and the EPA assessment funds available for additional testing, Housing Vermont was able to get comfortable with the remediation plan. Today we have 24 new units of housing, located directly across from the Johnson elementary school – a great location for family housing.”

*— Kathy Beyer,
Vice President for Development, Housing Vermont*