

The
North Carolina
**BROWNFIELDS
PROGRAM**

*20 years and
\$14 Billion later...*



NCDOR
Advanced Seminar
Sheraton Four Seasons
Greensboro, NC
September 22, 2017

Tony Duque, Brownfields Project Manager
NC DEQ, Division of Waste Management

Brownfields Property Reuse Act of 1997

- Create special class of remediating parties...
“**Prospective Developer**” of brownfields sites
- *First*, make sure PD did not cause or contribute to the contamination, then:
 - Provide *liability protection* to PD (*and others*) in return for measures PD agrees to take to make the property safe (“suitable”) for reuse
 - Provide PD (*and follow-on owners*) with a *partial property tax exclusion* to assist in costs
 - Focus cleanup and risk mitigation efforts on risk prevention and land use restrictions

Brownfields Agreement

- Brownfields Agreement (BFA): only available to a Prospective Developer who:
 - did not cause or contribute to site contamination;
 - desires to redevelop a brownfields property;
 - has a bona fide redevelopment plan; and
 - shows the redevelopment will have public benefit.
- The BFA does not affect the state's ability to enforce against the Responsible Party (RP)
- Properties listed on EPA's National Priorities List are not eligible for BFA (the *only* class of property not eligible by statute)

Brownfields Agreement

- Defines the actions PD must take to make the site safe for the PD's intended reuse... using a combination of:
 - Site-specific, risk-based cleanup decisions
 - Land use restrictions that run with the land
- Recorded at the county Register of Deeds... thus becoming part of the Public Record
- Functions as a “Covenant-Not-to-Sue,” providing PD with liability protection from state enforcement in regard to existing site contamination
- Liability protection is subject to PD's completion of necessary “safe-making” actions

Roles

Federal Program

- **Funding to States**
NC Brownfields Program received \$730,000 last year.
- **Competitive Brownfields Grants to Local Governments**
\$2.8 M for NC projects in the last two years.

State Program

- **Liability Protection to Prospective Developers**
Brownfields Agreement
- **Guidance for Safe Redevelopment**
Brownfields Agreement
Deed Recordation
- **Tax Incentives to PD**
Special BF property partial tax exclusion

Economic Development Benefits that are facilitated by the N.C. Brownfields Program

- Defined and limited environmental liability
 - Covenant not-to-sue contingent on making site safe
- Break Barriers to Financing (by statute, lenders get same liability protections)
- Financial/Tax Incentives
- Controlled and Defined Cleanup Costs
- Land Use Planning/Decisions
- Addressing Public Health Concerns
- Risk Communication to Public
- Return on Investment

Goal: Something For Everyone

NCDEQ / EPA

- Risk Reduction / Public Protection
- Smart Growth
- Sustainability

Prospective Developer

- Reduced Uncertainty
- Liability Protection
- Profit

Local Govt.

- Economic Devel.
- Jobs
- Sustainability
- Risk Reduction

Lender

- Reduced Uncertainty
- Liability Protection
- Profit

Neighbors

- Economic Benefits, Jobs
- Risk Reduction
- Blight Reduction

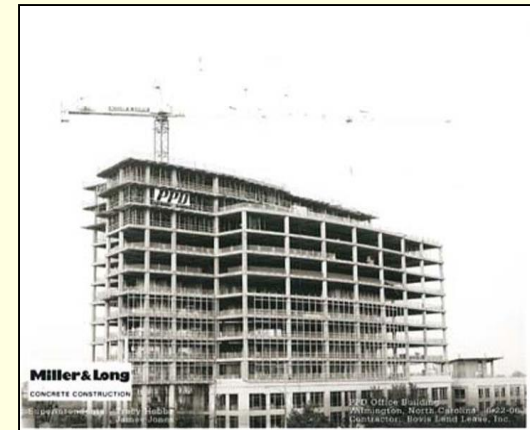
From: Former Almont Shipping Co. To: PPD World Headquarters - Wilmington



Abandoned Fertilizer
Stockyard/Shipping Facility



PPD World
Headquarters in
downtown
Wilmington,
400,000-ft², and
1,800 workers



From: Former Alpha Mill To: Alpha Mill Apartments



Abandoned Textile Mill, circa 1888 and Chromium Electroplater, circa 1955



Alpha Mill Apartments bordering uptown Charlotte



Preservation of historic architectural heritage

From: Former Asheville Mica Co. To: Mica Village Lofts



Abandoned Mica Plant,
circa 1905 in Biltmore
Village, Asheville

Green building redevelopment as
Mica Village Loft Condominiums



From: Alamac Textiles to Penco To: Penco Metal Products - Hamilton



School locker manufacturer relocates two manufacturing operations to 400,000 ft² former textile mill.

- Hamilton, Martin County (Rural)
- 300 manufacturing jobs replaced those lost when Alamac Textiles went bankrupt & ceased operations
- Brownfields Agreement facilitated N.C. Dept. of Commerce recruitment of out-of-state redeveloper

From: Pillowtex Plant 1

To: NC Research Campus - Kannapolis



Former Pillowtex and Cannon Mills on 150 acres in Kannapolis

Largest single layoff in State history (4800 jobs lost)



North Carolina Research Campus
David Murdock/Dole/University
Public-Private Venture Nutrition/Ag
Research Park

\$500 M – \$1 B investment

Core Labs built, more to follow

From: Former Pilot Mill

To: Pilot Mill Office Complex - Raleigh



Abandoned Turn of the
Century Textile Mill Slated
For Demolition

Tax Value:\$200,000

Tax Value:\$200,000



Fully Leased Office
Complex on National
Register of Historic Places

Value over \$13 million

Value over \$13 million

Spurred Neighborhood
investment of \$100 million

From: Former NC Equipment Co. To: Dorm and Residential Development



Former heavy
equipment sales
and servicing facility
and bulk oil terminal

Initial tax value:
\$4.1 million

Est'd cleanup cost:
~\$450,000

Value over \$140 million
Actual cleanup cost:
~\$50,000

Fully leased 600-unit residential complex: “Stanhope Center” and “Valentine Commons,” provides much needed student housing for NCSU, additional commercial retail space

Brownfields Program Staff

www.ncbrownfields.org

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