

OREGON BROWNFIELDS COALITION

ORGANIZATIONAL COALITION MEMBERS AS OF FEBRUARY 2015

ASSOCIATION OF OREGON COUNTIES
LEAGUE OF OREGON CITIES
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LINCOLN CITY, PORTLAND, SALEM,
SPRINGFIELD AND TIGARD
CLACKAMAS COUNTY
MULTNOMAH COUNTY
WASHINGTON COUNTY
METRO
PORT OF PORTLAND
BUSINESS OREGON
OREGON DEPT. OF ENVIRONMENTAL
QUALITY
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REGIONAL SOLUTIONS CENTER
US EPA
1000 FRIENDS OF OREGON
AUDUBON SOCIETY OF PORTLAND
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COMMUNITY HOUSING FUND
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COLUMBIA CORRIDOR ASSOCIATION
NORTHWEST ENVIRONMENTAL
BUSINESS COUNCIL
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OREGON ECONOMIC DEVELOPMENT
ASSOCIATION
OREGON STATE BUILDING &
CONSTRUCTION TRADES COUNCIL
OREGON STATE CHAMBER OF
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WESTSIDE ECONOMIC ALLIANCE
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BROWNFIELDS: POLLUTED SITES, NEW HOPE

Oregon is burdened by thousands of polluted sites called brownfields. Ranging in size from large factory sites to small former gas stations and dry cleaners, over 13,000 brownfields are scattered throughout the state – only 35 percent of which have been assessed or cleaned up.

Nearly every Oregonian has a brownfield in their community. They are the vacant lots we drive by daily, the piles of polluted dirt behind rusting chain link fences, the abandoned storefronts blighting our main streets.

Brownfields must be cleaned up before they can be reused for jobs, housing and other community needs. However, cleanup is expensive. Current owners and potential developers are required to pay, even though the original polluters may have gone bankrupt, been acquired by other companies or disappeared. Landowners interested in cleanup often face a time-consuming and expensive maze of permits, regulations and inspections. Many landowners and developers steer clear of known or potential brownfields because the costs and risks are too high to justify action.

Government action to help get brownfields cleaned up could unlock billions of dollars of economic activity. The state's small Brownfields Redevelopment Fund has helped create \$2.3 billion in economic activity with relatively minimal investment. But so far the fund has barely scratched the surface of Oregon's brownfield challenge.

SOLUTIONS TO OREGON'S BROWNFIELD CHALLENGE

The Oregon Brownfields Coalition has this goal: find collaborative strategies to help turn these liabilities into community assets quickly and equitably. The members of the Coalition represent public, private and nonprofit partners and a wide range of disparate interests. But we share a common goal with respect to this critical challenge. Brownfields are holding our communities and our economy back. It's time to take action to help communities all over Oregon.

The Coalition proposes these solutions in the 2015 legislative session:

- **Recapitalize the state Brownfields Redevelopment Fund**, as proposed in the Governor's budget.
- Allow local communities to create **land banks** and offer **tax abatements** for brownfield cleanup and redevelopment.
- Create **state tax credits** for brownfield redevelopment.

We look forward to working with you to solve Oregon's brownfield challenge.

CONTACT

Oregon Brownfields Coalition
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2015 LEGISLATIVE PROPOSAL: MORE DETAILS

Every brownfield is different. It is important to have a range of tools to solve Oregon's brownfield challenge. As such, the Brownfields Coalition is respectfully presenting a three-part legislative proposal for the 2015 Oregon Legislature. In addition to recapitalizing the state Brownfield Fund, here are the strategies the Coalition is recommending.

LAND BANKS (HB 2734): COMMUNITY CREATED, COMMUNITY DRIVEN

A land bank is a locally-created public authority that can acquire, hold, manage and transfer property to new owners. Land banks aim to return brownfield sites neglected by the open market back into productive use. They do this by:

- acquiring titles to contaminated, vacant, or blighted properties
- facilitating remediation and/or site improvements to eliminate barriers to redevelopment
- transferring properties to owners who will develop the property in a way that supports community priorities.

A land bank works in cooperation with local governments, non-profits, community organizations, lenders, and property developers to leverage available resources to clean up contaminated properties.

How would land banks benefit Oregon communities? Local land banks let the community create a streamlined process to acquire, clean up and redevelop brownfields throughout the state. By making the process faster, easier and cheaper, communities can more easily return brownfields to productive use, in a way that reflects their own values.

BROWNFIELD TAX ABATEMENTS (HB 2734): LOCAL SOLUTIONS MAKE THINGS HAPPEN

Brownfield tax abatements are partial property tax exclusions for specified improvements to brownfields. They can offset risks and costs of brownfield cleanup, especially for sites that would otherwise remain polluted. Abatements can:

- be targeted to specific reinvestment areas
- have a set of conditions attached for participation
- be enacted at the discretion of the local jurisdiction
- offer a new benefit to non-profit development organizations

A tax abatement program for brownfields would focus on work done to assess a property's current contamination and for any cleanup done by the owner. No abatement would be given for any subsequent redevelopment on the property.

How would a tax abatement benefit Oregon communities? A tax abatement program would give local control to municipalities to provide incentives for brownfield remediation and redevelopment. Properties that don't pencil out for redevelopment could potentially become feasible to property owners and industrial developers much sooner.

BROWNFIELD TAX CREDIT (HB 2289): STATE LEADERSHIP CREATES JOBS

A brownfield tax credit would allow property owners and developers to reduce income taxes by a percentage of the documented qualifying costs of brownfield cleanup. This incentive can help offset risks and costs of brownfield cleanup, especially for sites that would otherwise remain polluted. The tax credit can:

- apply to prospective purchasers or non-responsible owners (public, private, non-profit)
- have an annual program cap
- require property owners to be enrolled in a DEQ cleanup program
- require a contribution of cleanup costs from the owner

A tax credit program for brownfields would focus on any work done to assess and cleanup properties, including assessment, demolition, cleanup, and disposal.

How would a tax credit benefit Oregon communities? A tax credit would give a statewide incentive to property owners and developers that might not explore development on known brownfields. The credit could tilt the development feasibility of key industrial and employment sites, as well as town center and main street redevelopment opportunities statewide. Similar tax credits in other states have created thousands of jobs with relatively little state investment.