

CPI COMMITTEE-OF-THE-WHOLE
APRIL 15, 2014 - MEETING SUMMARY

Attendees:

John Byl, Katharine Czarnecki, Anne Couture, Ed Eickhoff, Jim Enright, Jeff Furton, Carrie Geyer, Marc Hatton, Bhushan Modi, Anthony Pecchio, Arthur Siegal, Andy Such, Dan Wells, and Steve Willobee.

On Phone: Meg Coughlin, Anne Giroux. Eric Helzer, Jennifer Kanalos, and Jim Tischler,

Not Present:

Pete Bosanic, Nikole Brown, Jean Derenzy, Kara Wood

1. Subcommittee Summaries for March/April were provided to the group and discussed.

2. Key issues of discussion included:
 - a. Increasing eligibility of costs such as lawyer fees, consultant fees, funding applications, etc.
 - Discussed various means to cap these costs including using a percentage of the total project. The specific approach remains to be determined.
 - Use of funds to prepare grant/loan applications prior to the award would not be considered a good policy.

 - b. The concept of paying for the “incremental” cost of activities associated with a brownfield property needs to be better defined in statute. (eg. may not pay to excavate a foundation that would be required for the development, but would pay for handling and disposal of contaminated soils that result from the excavation.)

 - c. Discussed ways to help streamline the DEQ process for review of 381 work plans, grant/loan applications, and grant/loan management.

 - d. Discussed ways to help streamline the local process, including necessity for certain resolutions. ABRA may be able to provide assistance to communities on 381 process related issues.

 - e. Parcel assembly was identified as a major hurdle. The ability to use Targeted Redevelopment Areas (TRAs), as provided in the 2012 Act 381 Amendments, already addresses this issue. Education/outreach to communities and consultants on how this works would be helpful. May need clarification that a "property" or "parcel" for purposes of Act 381 and Part 196 is not defined by tax parcels. It should be sufficient to have a legal description of the covered property, even if it includes multiple tax parcels.

 - f. Clarification in statute that cost recovery of TIF, grants, and loans from liable parties is specifically associated with Part 201 liability.

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- g. For dredging to be eligible there must be both a project and a “facility” designation.
 - h. All eligible dredging would fall under the DEQ purview.
 - i. The marina prohibition should be removed from CMI.
 - j. Provide ability to perform dredging as pre-development cost that can be captured after a development comes in.
 - k. Education is needed on the benefits of establishing a Local Site Remediation Revolving Fund (LSRRF). Not many communities are using this tool and it can be very powerful. (ABRA opportunity?)
 - l. Need for resolution in support of project is not necessary. A letter from city official such as the Chief Executive (as defined in 381) or Highest Elected Official should be sufficient.
 - m. It will be recommended that the Site Reclamation Rules be eliminated. It was suggested that the rules should be revoked by statute rather than by the rule making process.
 - n. Discussed funding due care activities, even if the seller of the property is liable for an activity causing a release.
 - Provision may be needed to assure “liable” seller does not profit from transaction. May want to consider an appraisal that considers the brownfield conditions in this context.
 - No DEQ funding for situation where **developer** is liable for an activity causing a release.
3. John Byl and Carrie Geyer will work on format for recommendations from the committees and provide by next meeting.
4. Schedule for Workgroup Completion:
- a. **May 20th Meeting:** Committees should provide information to legislative committee for issues that will require legislative changes and should also begin to finalize recommendations.
 - b. **June 17th Meeting:** All committees final recommendations should be complete and written report provided at this meeting for final workgroup concurrence and discussion.
 - c. **July 15th Meeting:** All recommendations compiled into single report and proposed legislative changes drafted for final workgroup approval.