

Connecticut's Land Banking Law

***Helping Towns
Address Brownfields***

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What is a Brownfield Land Bank?

In June 2017 Governor Malloy signed into law
the Connecticut Brownfield Land Bank Law
(Public Act 17-214)

*The Connecticut Brownfield Land Bank model is
unique in the United States*

What is a Brownfield Land Bank?

“Brownfield Land Bank” versus “Land Trust”

- BLB does not hold land in perpetuity
- BLB’s purpose is not to create open space or sites for public recreation
- BLB holds properties for the specific purpose of remediation and redevelopment
- BLB’s goal is to convey properties back to private sector to enhance economic development and increase tax base of communities

What is a Brownfield Land Bank?

“Brownfield Land Bank” versus **“General Land Bank”**

- General Land Banks are used in other parts of country to assemble blighted sites (primarily residential) for future resale
- General Land Banks are primarily controlled by county government for exclusive use in county
- BLB : exclusive focus on redevelopment of former industrial/commercial sites with existing or perceived contamination
- BLB certified to conduct business state-wide
- BLB assists multiple municipalities
- BLB is an independent non-governmental entity
- BLB’s non-profit status under IRC attractive to foundations and philanthropists

Commissioner of DEEP oversees the certification of Connecticut Brownfield Land Banks

Commissioner will certify based on certain criteria:

- Financial and technical capabilities
- Economic condition of municipalities served
- Level of support from municipalities
- Quality of applicant's business plan

What is a Brownfield Land Bank?

Certification confers on BLB many rights and immunities given to municipalities under state statutes:

- **Acquire real property** by purchase contracts foreclosure of municipal tax liens, and accept transfers from municipalities
- **Transfer property** to third parties ... on such terms ... as determined by the municipality in which the property is located
- **Access brownfield sites** to perform environmental due diligence
- Qualify for **exemption** from state and municipal taxes
- Qualify for **tax forgiveness** on any property acquired by the land bank
- Participate in the Brownfield **liability relief programs**
- Qualify for **Transfer Act exemptions**
- Participate in the state's Remedial Action and Redevelopment **Municipal Grant Program**

Why Brownfield Land Banks Are Needed

**Brownfields not just a large city problem!
There are Brownfields in every community.**

Why Brownfield Land Banks Are Needed

Abandoned Mills (Sprague, CT)



Why Brownfield Land Banks Are Needed

Defunct Brass Plants (Waterbury, CT)



Why Brownfield Land Banks Are Needed

Plating shops (Stratford, CT)



Why Brownfield Land Banks Are Needed

Auto body shops



Why Brownfield Land Banks Are Needed

State Legislature provided many new tools for brownfield redevelopment:

- Liability Relief
- ABC
- BRRP
- Municipal Brownfield Liability Relief Program
- Financial Incentives
- Brownfield Grant and Brownfield Loan Programs
- Urban Site Remedial Action Program
- Property Tax Abatement or Forgiveness Program
- Administrative Improvements

Why Brownfield Land Banks Are Needed

Legislative Reforms Did Not Address Other Practical Concerns of Municipalities:

- Lack of Expertise
- Liability and Cost Exposure
- Management Cost and Concerns During Holding Period
- Compliance with Procurement/Sale Ordinances
- Political Considerations

Why Brownfield Land Banks Are Needed

Towns Lack Expertise to navigate through alphabet soup of federal and state environmental laws

- *EPA
- *DEEP
- *AG
- *RCRA
- *TSCA
- *RSRS
- *CWA
- *CAA
- *CERCLA
- *ASTM
- *SCGD
- *OSHA
- *EPCRA



Why Brownfield Land Banks Are Needed

Most towns officials don't have the experience to assess the condition of brownfield sites or plan and manage the remediation and redevelopment of these sites

Why Brownfield Land Banks Are Needed

Liability and Cost Exposures



Why Brownfield Land Banks Are Needed

Liability and Cost Exposures

- State laws do not provide complete liability relief from:
 - Third-Party claims
 - Federal laws (e.g., RCRA and TSCA obligations)
- Uncertain cost of remediation could be Town's obligation if Town owns property
- Cost and potential liability of owning abandoned brownfield site during holding period
 - Safety of structures
 - Fires caused by vandals

Why Brownfield Land Banks Are Needed

Internal Considerations of Town

Procurement and Sale Ordinances

- Make sale of brownfield site to most appropriate redeveloper difficult
- RFP versus RFQ

Political Considerations

- Brownfield redevelopment is long-term that often extends beyond election cycles
- The uncertainty of cost and liability can be exploited by political opponents
- Need for multiple approvals throughout the remediation process can be exploited by political opponents

Brownfield Land Bank: Valuable New Tool

Municipalities maintain control of the remediation and redevelopment process through Land Banking Agreement



Brownfield Land Bank: Valuable New Tool

Municipalities maintain control of the remediation and redevelopment process through Land Banking Agreement

- Control the scope of remediation
- Delegate grant application work to BLB
- Transfer liability as owner of site to BLB
- Transfer management concerns during holding period to BLB
- Control selection of redeveloper

Brownfield Land Bank Process

Initial Phase



Brownfield Land Bank Process

SCOPING MEETING

Land Bank staff will want to find out as much as they can about the site(s), the owner(s), potential developers (if any), your organization's experience, preliminary reuse ideas, existing land use plans, zoning, etc. A site visit might happen before or after the scoping meeting.

SITE REVIEW/ SWOT ANALYSIS

- No Current Developer vs. Interested Developer(s)
- Single site vs. Multiple sites
- Financial Feasibility
- Municipal Capacity
- Site Assets
- Environmental Liabilities
- Reuse Potential
- Political and Community Support (or opposition)
- State Agency Assistance and Support

LAND BANK PROPOSAL

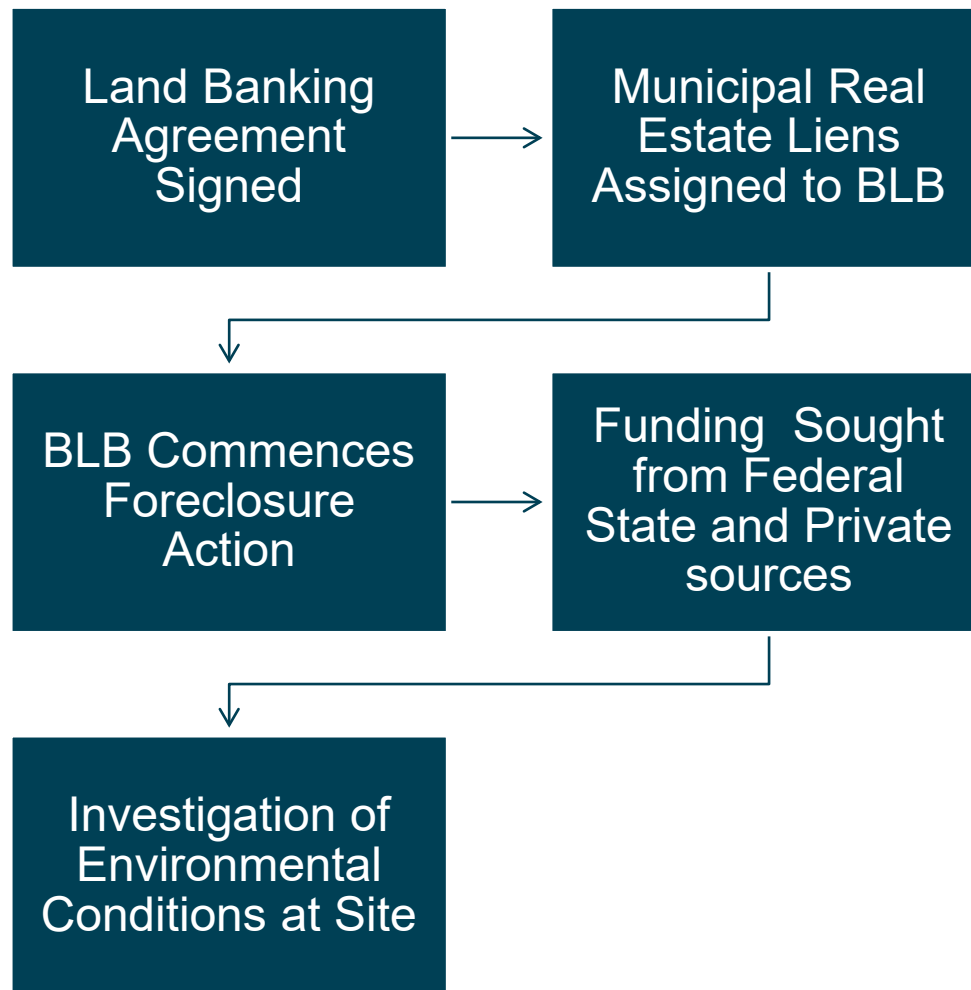
Land Bank submits proposal to client for review and discussion; client accepts proposal with or without revisions or rejects proposal; land bank proceeds with action plan or requests debrief with client.

LAND BANK ACTION PLAN

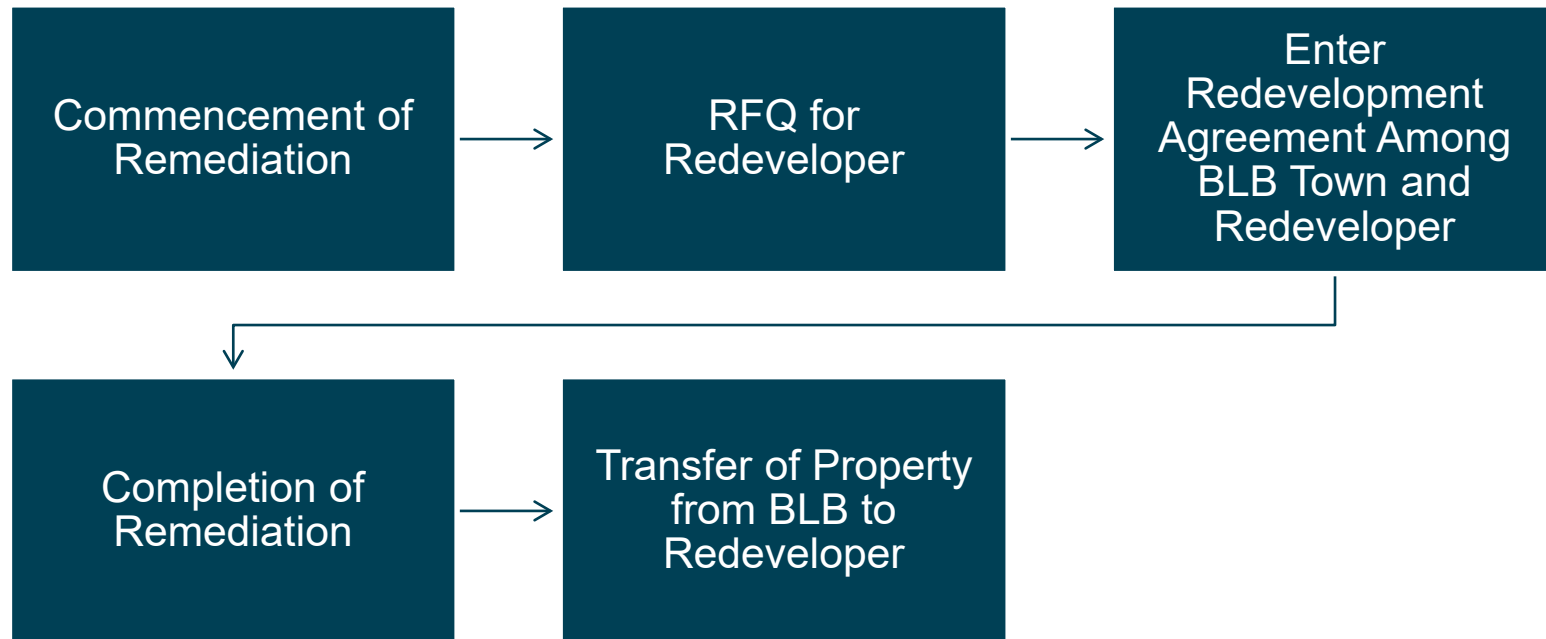
If client accepts proposal, Land Bank develops action plan consistent with client's priorities and circumstances surrounding the site(s); plan outlines specific tasks, activities, timetable, staffing, budgets, etc.

Brownfield Land Bank Process:

Intermediate Phase

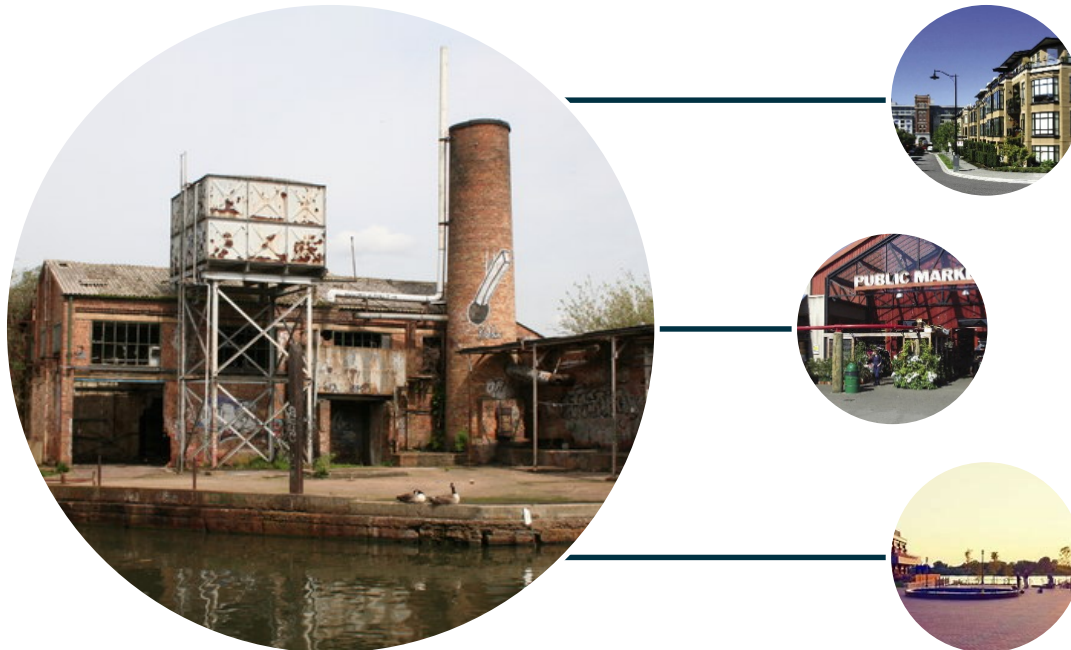


Brownfield Land Bank Process: Final Phase



Brownfield Land Bank Process: Outcome

- **Elimination of threat to Human Health and the Environment**
- **Removal of Blight in Community**
- **Redevelopment of Site for Benefit of Community**
- **New Real Estate and Property Taxes**
- **Creation of Jobs**



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HARTFORD

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STAMFORD

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WATERBURY

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WHITE PLAINS

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