



# Brownfields Redevelopment Fund

Massachusetts is dedicated to revitalizing its communities and the environment. The Brownfields Redevelopment Fund was created in 1998 to help transform vacant, abandoned, or underutilized industrial and commercial properties throughout Massachusetts where development is hampered by real or perceived environmental contamination.

## Brownfields Site Assessment Program

Interest-free financing of up to \$100,000 per site is available for environmental testing. Conducted by a Massachusetts Licensed Site Professional, a site assessment documents the extent, if any, of environmental contamination and develops a remediation plan if needed.

## Brownfields Remediation Loan Program

Loans of up to \$500,000 per site are available for environmental clean-up required for redevelopment. Financing terms are determined on a case-by-case basis, to provide flexibility to the project.

## Brownfields Redevelopment Fund Eligibility Requirements

- Eligible borrowers include businesses, nonprofit organizations, municipalities, economic development organizations and individuals.
- Site must be located in an Economically Distressed Area (EDA). A list of EDAs is available at [www.mass.gov/eea/agencies/massdep/cleanup/programs/list-of-economically-distressed-areas.html](http://www.mass.gov/eea/agencies/massdep/cleanup/programs/list-of-economically-distressed-areas.html).
- Borrower must not have (a) owned or operated the site at the time the contamination occurred; (b) caused or contributed to the contamination; (c) a business or familial relationship with the contaminator; (d) any outstanding administrative or judicial enforcement actions against their Massachusetts properties; and (e) access to the Underground Storage Tank Fund.

- Borrower must own, be a tenant or have site control or evidence of the right to enter the site to perform environmental testing.
- Proposed redevelopment projects must result in at least one of the following public benefits: job creation, job retention, economic or physical revitalization or creation/rehabilitation of housing.
- For the Site Assessment Program, the borrower must agree to transfer the results of the assessment to the Department of Environmental Protection (DEP) if the borrower does not proceed with the project.

## Recoverable Grant Repayment Requirements

Brownfields financing may sometimes be structured as a grant rather than a loan when the applicant is a municipal entity or a Community Development Corporation and the economics of a project cannot support a loan. In those cases, municipalities will be required to contribute 15% of their future tax collections from the successful redevelopment of the site to repay the grant.





# Case Studies

## City of Gardner

MassDevelopment issued a \$490,475 Brownfields Redevelopment Fund award to the City of Gardner, which used the grant to fund demolition and hazardous material abatement at the former Orpheum Theater Block. The project is part of the city's Downtown Urban Renewal plan to reduce blight and encourage private investment, and will provide needed parking for downtown businesses.

## City of Holyoke

MassDevelopment provided brownfields funding to the Holyoke Redevelopment Authority to remediate and demolish the site of the former Parsons Paper Mill, which was damaged by a fire in 2008. The redevelopment will pave the way for Aegis Energy Services, a cogeneration systems designer and installer that abuts the Parsons property, to expand resulting in the creation of 30 new jobs and the retention of 70 jobs. A solar array has also been installed at the site.

## Harbor Place, *Haverhill*

MassDevelopment provided a \$500,000 loan from the Brownfields Redevelopment Fund to Harbor Place at Riverfront LLC to support its downtown Haverhill redevelopment project. The loan will help remediate a portion of the site that has residual soil contamination from past industrial use. The project will redevelop the former Woolworth building in Haverhill's Transformative Development Initiative [TDI] District into a \$70 million mixed-use space with 110 housing units and retail and commercial space.

## Station Lofts, *Brockton*

MassDevelopment provided both a site assessment and remediation loan from the Brownfields Redevelopment Fund, as well as a \$4.8 million tax-exempt bond to Capstone Communities, a real estate development company in Brockton. Financing proceeds were used to transform a historic industrial building near an MBTA commuter rail stop into 25 mixed-income apartments known as Station Lofts.

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