



# Fact Sheet

Commonwealth of Pennsylvania • Department of Environmental Protection

## OVERVIEW OF THE LAND RECYCLING PROGRAM

### ***The Need for Land Recycling***

Past Pennsylvania environmental policies have been disincentives for the private cleanup of old industrial sites, sometimes referred to as Brownfields. Since both state and federal cleanup laws can impose full responsibility for a site cleanup on new buyers, even though they may have no involvement in contamination of the property, state policies that promoted never-ending liability discouraged private firms, lenders, and even public redevelopment authorities from getting involved.

The positive aspects of an old industrial site, such as its location and available infrastructure, were frequently negated by the threat of huge, unknown cost and never-ending liability for an environmental cleanup of the site. Lenders were reluctant to invest in the purchase of such property if they become exposed to perpetual liability. Innocent buyers particularly shunned sites where those persons who were responsible for causing the contamination were bankrupt or couldn't be identified. Too often, developers have chosen virgin properties as an alternative to old industrial sites with contamination problems. This has led to urban sprawl and the resulting loss of farmland, forests and open space across Pennsylvania.

The Land Recycling Program encourages the recycling and redevelopment of old industrial sites. It sets standards, by law for the first time, that are protective of human health and the environment, but which consider future use. It provides potential developers with clear cleanup standards based on risk, not a moving target in a negotiated agreement, and provides an end to liability when that cleanup standard is achieved.

These changes have made many old industrial sites more attractive to potential developers. As a result, many sites have been and will be converted from eyesores to productive use, helping many of the Commonwealth's urban and rural municipalities to provide jobs through economic growth.

#### **Benefits of Land Recycling**

- Encourages private-sector cleanups and the productive use of vacant industrial sites.
- Stimulates economic growth, particularly in urban areas.
- Encourages local government partnerships with business and saves the Commonwealth millions of dollars in cleanup costs.
- Reduces the pressure to develop prime farmland, open areas and forests.

### ***Regulatory Basis***

The Land Recycling Program includes four bills. Act 2, Act 3, and Act 4 were signed into law by Governor Tom Ridge on May 19, 1995. Act 6 amended Act 4 and became effective in May 2000.

Act 2 of 1995 is the Land Recycling and Environmental Remediation Standards Act. This act is the primary law establishing the Land Recycling Program. It creates a realistic framework for setting cleanup standards, provides special incentives for developing abandoned sites, releases responsible parties from liability when cleanup standards are met, set deadlines for Department of Environmental Protection (DEP) action and provides funding for environmental studies and cleanups.

Act 3 of 1995 is the Economic Development Agency, Fiduciary and Lender Environmental Liability Protection Act. This act limits the environmental liability of those involved in redeveloping and financing a recycled industrial site.

Act 4 of 1995 is the Industrial Sites Environmental Assessment Act. This act provides up to \$2 million for environmental assessments in certain communities and for cleanups in certain cities through the Department of Community and Economic Development.

Act 6 of 2000 is the Industrial Sites Environmental Assessment Act. This act expands the grant program under Act 4 of 1995 and provides for performance-based loans.

### ***Basic Elements of the Land Recycling Program***

The four cornerstones of the Land Recycling Program are uniform cleanup standards based on health and environmental risks, standardized review procedures, release from liability, and financial assistance.

#### **Uniform cleanup standards**

Act 2 establishes environmental remediation standards to provide a uniform framework for cleanups. The standards established under Act 2 are used for most voluntary and mandatory cleanups conducted in Pennsylvania. The three types of cleanups are background, Statewide health, and site-specific.

#### **Standardized review procedures**

Act 2 describes the submission and review procedures used at sites using each of the three types of cleanup standard, thus providing a uniform process for all sites statewide. Uniformity makes it easier for companies and consultants to prepare submissions and follow through the steps necessary to remediate a site.

## State releases from liability and MOA with EPA

Act 2 provides releases from state liability for owners or developers of a site that has been remediated according to the standards and procedures in the Act. Act 3 extends liability protection to financiers, such as economic development agencies, lenders, and fiduciaries (fiduciaries are those who act as a trustee, executor, or administrator for the benefit of another person). These provisions are intended to reduce the liability concerns that may inhibit involvement with contaminated or abandoned sites. In April 2004, DEP and the U.S. Environmental Protection Agency (EPA) entered into a Memorandum of Agreement (MOA) that clarifies how sites remediated under the Pennsylvania's brownfields program also may satisfy requirements for three key federal laws: the Resource Conservation and Recovery Act (RCRA), the Comprehensive Environmental Response Compensation Liability Act (CERCLA), and the Toxic Substances Control Act (TSCA). The framework outlined in the MOA provides the client with procedures for coordinating cleanups under Act 2 with federal cleanup requirements under TSCA, RCRA and CERCLA, where applicable.

## Financial assistance

Act 2 and Act 4 provides funds that have been combined into the Industrial Sites Reuse Program that is designed to help innocent persons conduct voluntary cleanups. Grants or low-interest loans are provided to cover up to 75 percent of the cost of completing an environmental study and implementing a cleanup. The Department of Community and Economic Development (DCED) administers the program. Funds may be used by eligible applicants for phase I, II, and III environmental assessments and remediation of hazardous substances.

Additional sources of financial assistance for the remediation and/or redevelopment of brownfields are also available through DCED. ([www.newpa.com](http://www.newpa.com) or [www.inventpa.com](http://www.inventpa.com))

## Other Resources

- The **Brownfield Action Team** has been established to enhance interaction between DEP and the local community by creating a single point of contact for priority remediation projects. The results of these redevelopments will restore the environment, revitalize communities and promote economic development. For more information, visit DEP's website at [www.dep.state.pa.us](http://www.dep.state.pa.us), Keyword: "DEP brownfields."
- **PASiteFinder** is an online database for buyers and sellers to access Brownfield real estate in Pennsylvania. PASiteFinder allows you to search hundreds of Pennsylvania Brownfields based on your site selection criteria and provides the

opportunity to close the deal by providing access information on financial incentives, lenders, attorneys, insurers and other real estate expertise. For more information, visit DEP's website at [www.dep.state.pa.us](http://www.dep.state.pa.us), Keyword: "DEP PA SiteFinder."

- **The Land Recycling Program** web site ([www.dep.state.pa.us](http://www.dep.state.pa.us), Keyword: "DEP Land Recycling") provides information and access to links on DEP's Land Recycling Program.
- **Key Sites Initiative** coordinates the knowledge and resources from the DEP Land Recycling Program, the DEP Hazardous Sites Cleanup Program, the Department of Community and Economic Development, and local economic development agencies. Through this program state-funded contractors conduct environmental site assessments and prepare a work plan at sites with an environmental threat where investors have expressed an interest in the property and a prospective occupant is willing to share cleanup costs. As a result of the assessment, the uncertainty of site environmental threats is minimized and the cost of any remediation is defined.
- **Brownfield Inventory Grants** are grants provided by DEP to municipalities, counties and redevelopment authorities to inventory Brownfield properties in their area.

## Relationship to Other State and Federal Programs

- The cleanup standards under Act 2 apply to all cleanups.
- State and local permits are not required for remediation activities conducted under Act 2 if they are undertaken entirely on the site unless the federal government requires that permits be issued in federally funded state programs.
- The cleanup standards developed under Act 2 will apply to Hazardous Sites Cleanup Act (HSCA) sites, although the HSCA procedures for remedy selection will continue for listed sites.

## Contact Information

For more information on this initiative or general information on the Land Recycling Program call 717-783-7816 to request written material. Questions and comments may be directed to Tom Mellott, Program Manager, at [mtmellott@state.pa.us](mailto:mtmellott@state.pa.us).

For more information, visit DEP's website at [www.dep.state.pa.us](http://www.dep.state.pa.us), Keyword: "DEP Land Recycling."