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405 Concord Avenue #352, Belmont, MA 02478

617-977-4304

info@lspa.org

www.lspa.org

March 28, 2023

Senator Susan L. Moran
Chair, Joint Committee on Revenue
24 Beacon St., Room 506
Boston, MA 02133

Representative Mark J. Cusack
Chair, Joint Committee on Revenue
24 Beacon St., Room 34
Boston, MA 02133

Subject: Support for S. 1765 and H. 2913 “An Act to extend the Brownfields tax credit”

Dear Chair Moran, Chair Cusack, and Members of the Committee:

The LSP Association (LSPA) is the non-profit association for Licensed Site Professionals (LSPs) and related practitioners. LSPs are the scientists, engineers, and public health specialists licensed by the Commonwealth to work on behalf of property owners, operators, and other involved parties to oversee the assessment and cleanup of oil and hazardous materials released to the environment. Through education and information, we work to help our nearly 800 members achieve and maintain high standards of practice in overseeing the assessment and remediation of hazardous waste disposal sites. Our members work with their institutional, non-profit, government, and private clients to remediate contaminated sites, often in economically distressed areas, so these properties can be placed back into active and productive use.

We write to express our support for S. 1765 and H. 2913 “*An Act to extend the Brownfields tax credit.*” These two bills propose to extend the Massachusetts Brownfields Tax Credit program for five years, thereby ensuring liability relief and financial incentives to clean up and redevelop contaminated properties. The Brownfields Tax Credit is an important part of the Commonwealth’s comprehensive program to revitalize and reuse contaminated sites. As we have in past legislative sessions, the LSPA once again urges the committee to support and fast track this bill so that current remediation projects are not stalled and new projects may begin.

Since 1998, the Brownfields Tax Credit, created as part of the Brownfields Act, has been a key factor in attracting new investment in properties that might otherwise be tied up in litigation and financial woes, while ensuring that the Commonwealth's high standards for public health, safety, and the environmental are met. Sites that would otherwise have been dormant, or worse, have become useful again. The tax credit has made an appreciable difference, in some cases, saving the project in the final outcome.

These success stories are ones in which LSPA members are actively involved. For example, one LSP is currently working on a 450-unit housing project in Everett where it is anticipated the Brownfields Tax Credit will be an important part of the project financing. This is a very challenging site with PCB contamination requiring compliance with both federal and state environmental regulations. There has been a need for significant soil disposal, a vapor mitigation system for a portion of the building, and encapsulation of remaining contaminated soil beneath the building.

LSPA members are working on dozens of projects that are dependent on the Brownfields Tax Credit. Many of these projects are scheduled to extend into 2024 and beyond so not having the extension will imperil the economics of those projects – most of which have been counting on the credit to help ameliorate the additional costs of the environmental cleanup. These diverse projects include:

- Affordable housing projects in Dorchester, Jamaica Plain, and Methuen
- Large (>100 units) housing projects in Everett, Somerville, Dorchester, Lawrence, and Haverhill
- Mixed-use (housing and retail) projects in South Boston
- Non-profit in Worcester
- Mill rehab in Attleborough
- Solar project in Holliston
- Major commercial redevelopment in Allston
- Lab building in Watertown
- Mill complex in Lowell

Much work remains to be done. Planning for and securing project financing is complex. Development of these properties, in many cases, turns on the availability of the Brownfields Tax Credit for the economics to work. The extension of the tax credit is critical to further cleanup and redevelopment of these sites. Assessment and remediation of a contaminated property typically takes several years. A five-year tax credit extension, as proposed by these two bills, would result in more stability and predictability for all stakeholders. The Commonwealth will realize the benefits.

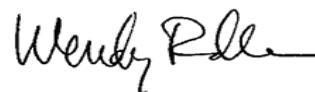
The LSPA urges the committee to support and report out favorably on S. 1765 and H. 2913. We appreciate your consideration.

Sincerely,

THE LSP ASSOCIATION, INC.



Charles P. Young, LSP, President



Wendy Rundle, Executive Director