

Speaker, House of Representatives
Minority Leader, House of Representatives

President, State Senate
Minority Leader, State Senate

Colorado General Assembly
State Capitol Building
200 E. Colfax Ave.
Denver, CO 80203

Re: Please Reauthorize & Expand the Colorado Brownfields Tax Credit Program

Dear Distinguished Members of the Colorado General Assembly,

We the undersigned, representing a wide array of businesses, local governments and other stakeholders across the State of Colorado, **write to you to express our support for the reauthorization and expansion of the Colorado Brownfields Tax Credit Program.** Since its inception in 2001 and reinstatement in 2014, the program has resulted in profound economic and public health impacts for our state. **By reauthorizing the program through 2030 and expanding the annual cap from \$3 million to \$7 million,** the program can continue to make Colorado a healthier and more prosperous place to live and work, while better serving communities which haven't yet seen the economic benefits that the Front Range is experiencing.

Brownfields are contaminated properties that can be difficult to use, sell or redevelop. This includes abandoned factories and other industrial facilities, service stations, oil and gas storage facilities, dry cleaning businesses, and any other business or facility that dealt with hazardous substances, pollutants, or contaminants. The U.S. Government Accounting Office estimates that there are between 400,000 and 600,000 brownfields sites throughout the United States.

The presence of these contaminated properties in our communities hinders economic development, impacts property values, and detracts from the vitality of our cities and towns. Brownfields pose real threats to the health of our communities and the environment, particularly our drinking water, and cleanup and redevelopment of these properties is costly and fraught with uncertainty. The **Voluntary Cleanup Program** (established in 1994) and the **Brownfields Tax Credit**, both administered by the Colorado Department of Public Health & Environment (CDPHE), provide a measure of confidence for property owners and developers, and help to bridge the financial gap to perform environmental cleanups.

Brownfields tax credits were created as an incentive to encourage the cleanup and redevelopment of these contaminated properties. Individuals, organizations, local governments and nonprofits who own these properties can qualify for the credits to recoup a portion of their expenses for the cleanup. The transferability of the tax credit allows municipalities, nonprofit organizations and other entities to take advantage of the incentives, allowing them to sell their unused credits to other taxpayers.

The program has been a resounding success, **and more than pays for itself** in economic and public health returns. **Since 2015** (when the program was reinstated after a 4-year hiatus):

- CDPHE has issued approximately \$8 million in tax credits, **representing nearly \$3 billion in economic development.**

- Nearly **300 acres of property have been cleaned up**
- Approximately **2,100 new jobs were created**
- Over **4,000 new infill housing units were built** to serve the needs of our growing population.
- By having these redevelopment projects done through the **Voluntary Cleanup Program**, CDPHE indicates it was able to facilitate **better cleanup outcomes**, resulting in a cleaner environment.
(Statistics were provided by CDPHE and are current as of Aug, 2018).

We hereby ask for your support to **reauthorize and expand the Brownfields Tax Credit from \$3 million per year to \$7 million**. The program is currently set to expire on December 31, 2022, unless reauthorized by the General Assembly. **Demand for these credits far outpaces their availability.** These projects provide new jobs, desperately needed infill housing units, expanded tax base, and most importantly, a cleaner environment and healthier communities.

By reauthorizing the program and expanding the annual cap you will be providing a tremendous benefit to communities across the state who are working to address the real challenges of economic development, public health, housing shortages and blight.

Thank you for your time and consideration.

Sincerely,