NC Brownfields Redevelopment Section:
A Fact Sheet for Lenders

WHO ARE WE?

The Brownfields Redevelopment Section (BRS), is a branch of DEQ Division of Waste Management. We partner with prospective developers (aka those who did not cause or contribute to the contamination on a property) to remove or reduce uncertainty in environmental liabilities when developing a Brownfields Property

About the Section

What are Brownfields Properties?

Brownfields are abandoned, idled, or underused properties where expansion or redevelopment is stalled by actual or perceived environmental contamination. For example, a former textile mill may be an ideal location for a shopping center, housing development, or community space, but concerns about contamination can discourage developers from investing in the property.

What are the benefits of a Brownfields Agreement?

NC DEQ Brownfields agreements ensure that environmental contaminants at brownfields sites are addressed through land use restrictions to prevent occupant exposure or remediation to unrestricted use standards. Remediation refers to actions that remove, mitigate, minimize, control, or prevent further release of a contaminant to protect public health or the environment.

What is a Brownfields Agreement?

A Brownfields Agreement (BFA) is an agreement between a prospective developer(s) and the NC Department of Environmental Quality (DEQ). The BFA outlines the actions necessary to make the property safe for its intended reuse. In return, the developer receives liability *indemnifications* from the NC DEQ for contamination that existed before they acquired the property. This liability protection reduces uncertainty and can improve access to financing for construction and redevelopment. Once an agreement is in place, a property is often viewed as an investment opportunity rather than an environmental risk.

Where can I learn more about successful brownfield sites?

The NC Brownfields Website provides details on tax incentives, highlights successful redevelopment projects across the State, and describes the public benefits of Brownfields sites.

DEQ

NC DEQ Brownfields Liability Protection

Statutory Mandate

The Brownfields Property Reuse Act of 1997, N.C.G.S. §130A-310.30 et seq.

The stated statutory purpose by the general assembly for the Brownfields Act: “potential purchasers and developers of brownfields and other parties who have no connection with the contamination of the property, including redevelopment lenders, should be encouraged to provide capital and labor to improve brownfields without undue risk of liability for problems they did not create so long as the property can be made safe for appropriate future use.”

Amendment

The Brownfields Property Reuse Act of 1997, N.C.G.S. §105-277.13 et seq.

North Carolina Session Law 2025-53 updates the state’s brownfields program by allowing qualifying redevelopment projects to access property tax incentives earlier in the process, while also clarifying DEQ fee collection, payment schedules, and enforcement procedures for brownfields agreements.

Qualifying improvements still receive a declining property tax exclusion over five years:

Year	% Excluded
Year 1	90%
Year 2	75%
Year 3	50%
Year 4	30%
Year 5	10%

BRS IMPACT

Since the Brownfields Property Reuse Act was passed in 1997, BRS has negotiated hundreds of brownfields agreements across the State. The projects range in size from a $100,000 small business expansion onto a neighboring lot to large redevelopments valued at ~$1 billion. These projects represent significant economic development opportunity to communities. In addition to the private investment facilitated, these projects have created thousands of jobs, returned abandoned blighted eyesores into new tax performers for local governments, and provided infrastructure and resources to community members.