

Federal Resources for Brownfield Redevelopment

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TAB
TECHNICAL ASSISTANCE FOR BROWNFIELD REDEVELOPMENT

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PUBLIC SECTOR FINANCE ROLE

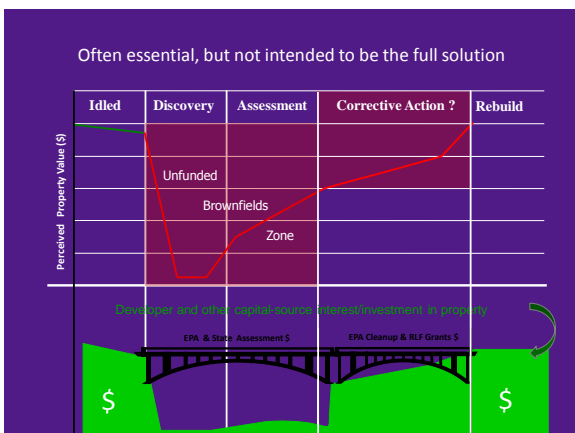
- Provide resources directly
 - Competitive or formula grants; forgivable loans
 - In-kind technical assistance
- Reduce financing risk and costs
 - Loan guarantees; companion loans
 - Interest-rate reductions or subsidies
- Improve the borrower's financial situation
 - Re-payment grace periods; tax abatements and incentives;
- Promote Public-Private Partnerships



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COMMONLY USED FEDERAL RESOURCES/FUNDS

- USEPA (Grants & Tech. Asst.)
- USDA
- HUD: CDBG
- EDA
- DOT
- Tax code incentives



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WHAT'S BEEN USED TO HELP FINANCE BROWNFIELD REUSE?

- **Loans**
 - EDA capital for local revolving loan funds
 - HUD funds for locally determined CDBG loans and "floats"
 - EPA capitalized revolving loan funds
 - SBA's microlans
 - SBA's Section 504 development company debentures
 - EPA capitalized clean water revolving loan funds (priorities set/ programs run by each state)
 - HUD's Section 108 loan guarantees
 - SBA's Section 7(a) and Low-Doc programs
 - USDA business, intermediary, development loans
- **Grants**
 - HUD's Community Development Block Grants (for projects locally determined)
 - EPA assessment, cleanup grants
 - EDA public works and economic adjustment
- **Grants (continued)**
 - DOT (various system construction, preservation, rehabilitation programs)
 - Army Corps of Engineers (cost-shared services)
 - USDA community facility, business and industry grants
- **Equity capital**
 - SBA Small Business Investment Cos.
- **Tax Incentives and tax-exempt financing**
 - Opportunity Zones
 - New Markets tax credits
 - Historic rehabilitation tax credits
 - Low-income housing tax credits
 - Industrial development bonds
 - Energy efficiency construction credits

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SOME BLEND OF THESE PROGRAMS CAN COVER EVERY ASPECT OF THE BROWNFIELD REVITALIZATION PROCESS:

- Brownfield reuse/redevelopment planning
- Site acquisition
- Environmental assessment and cleanup
- Installation of institutional controls
- Site clearance, demolition, debris removal
- Rehabilitation of buildings
- Construction of infrastructure



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USEPA ARC GRANTS * Contingent on BUILD Act Provisions *

	Assessment	RLF	Cleanup
Applicant Eligibility (see full list in Section III.A.)	Government, Quasi Government, Regional Council, Tribe	Government, Quasi Government, Regional Council, Tribe	Government, Quasi Government, Regional Council, Tribe, Non-profit
Amount of Funding Available	Community-wide <ul style="list-style-type: none"> Up to \$200,000 for hazardous substances, OR Up to \$200,000 for petroleum, OR Up to \$300,000 for a combination of hazardous substances AND petroleum (not to exceed \$200,000 for either type) Site-specific <ul style="list-style-type: none"> Up to \$200,000 or up to \$350,000 with a waiver Assessment Coalition <ul style="list-style-type: none"> Up to \$600,000 	Community-wide <ul style="list-style-type: none"> Up to \$1,000,000 RLF Coalition <ul style="list-style-type: none"> Up to \$1,000,000 	Single-site proposal <ul style="list-style-type: none"> Up to \$200,000 per site Multi-site proposal <ul style="list-style-type: none"> Up to \$200,000 per proposal, which can include multiple parcels for a maximum total amount of \$200,000 <p>NEW</p> <ul style="list-style-type: none"> Up to 3 proposals totaling \$600,000 (any combination of the above)
Cost share Requirement	n/a	20% cost share	20% cost share
Period of Performance	3 years	5 years	3 years
Common Eligible Grant Activities	inventory, characterize, assess, reuse planning, cleanup planning, and conduct community involvement	capitalize a RLF program; provide loans and subgrants to carry out cleanup activities	cleanup activities, reuse planning, and community involvement

* Contingent on BUILD Act Provisions *

USEPA FUNDS - GRANTS

- Assessment, Cleanup & Revolving Loan Fund Grants (ARC)
 - Annual Competition Announced in Fall 2018 with a Deadline of November/December. (RLF 2019)
- Area Wide Planning Grant (AWP)
 - Next Competition TBD
- Environmental Workforce Development Job Training Grants (EWDJT)
 - Next Competition 2019

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ASSESSMENT GRANTS



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* Contingent on BUILD Act Provisions *

ASSESSMENT GRANTS

- Provide funding to plan, inventory and assess brownfields contaminated with hazardous substances, pollutants, contaminants and petroleum products, conduct community involvement, and cleanup/redevelopment planning.
- Who is eligible?
 - State, local, and tribal governments
 - General purpose units of local governments
 - Regional councils or redevelopment agencies

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* Contingent on BUILD Act Provisions *

ASSESSMENT GRANTS

Anticipated Funding in Fiscal Year 2018

- **Community-Wide Proposals:**
 - Up to \$200,000 for hazardous substances, or
 - Up to \$200,000 for petroleum product, or
 - Up to \$300,000 for hazardous substances AND petroleum in the same competition cycle
- **Site-Specific Proposals:**
 - Up to \$200,000
 - May seek waiver and request up to \$350,000
- **Assessment Coalition Proposals:**
 - Up to \$600,000
- Award ~150 grants annually

Next Solicitation:
Fall 2018

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ASSESSMENT GRANTS

- 1. Community Need (50 points)
- 2. Project Description (50 points)
- 3. Community Engagement & Partnerships (35 points)
- 4. Project Benefits (25 Points)
- 5. Programmatic Capability (40 points)

Total Points: 200

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CLEANUP GRANTS

* Contingent on BUILD Act Provisions *

- Provide funding for remediation of brownfields contaminated with hazardous substances, pollutants, contaminants and petroleum products.
- **Who is eligible?**
 - Applicants must own the property at time of proposal submission
 - State, local, and tribal governments
 - General purpose units of local governments
 - Regional councils or redevelopment agencies
 - Non-profit organizations
- **Funding:**
 - Up to \$200,000 per site (total of 3 sites)
 - Requires a 20% cost share
 - Award ~60 grants annually

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Fall 2018

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REVOLVING LOAN FUND (RLF) GRANTS

* Contingent on BUILD Act Provisions *

- Funding capitalizes a revolving loan fund - provides loans and subgrants to carry out cleanup of brownfield sites contaminated with haz substances, pollutants, contaminants and petroleum products.
- **Who is eligible?**
 - State, local, and tribal governments
 - General purpose units of local governments
 - Regional councils or redevelopment agencies
- **Funding:**
 - Up to \$1,000,000 (\$800,000 in past years)
 - Requires a 20% cost share
 - Award ~12 RLFs biennially
 - Provide supplemental funding annually to ~30 existing high performing RLFs

Next Solicitation:
Fall 2019

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REQUIREMENTS TO SUBMIT A PROPOSAL

- Learn how to submit a proposal via www.grants.gov
 - Review the Applicant Tools & Tips on the www.grants.gov website.
- Obtain the organization's DUNS number and register in www.sam.gov **NOW**.
- Even if already registered in www.sam.gov, make sure the account is active and will be active by the deadline.
 - The account must be renewed annually by the E-Business Point of Contact (E-Biz POC).
- Ensure the **correct** Authorized Organization Representative (AOR) submits the proposal.
 - The AOR must be designated by the E-Biz POC.

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AREA-WIDE (AWP) PLANNING GRANTS

* Contingent on BUILD Act Provisions *

- Provide assistance for community involvement and reuse planning.
 - Applicants select a focus area that is affected by Brownfields (e.g., a neighborhood, district, city block, corridor, etc.).
 - Applicants must identify at least one catalyst, high priority site and any other brownfield sites in the focus area.
 - Grant funds used to research existing conditions and involve the community in activities that will lead to development or an area-wide plan, including implementation strategies.
- Who is eligible?
 - State, local, and tribal governments
 - General purpose units of local governments
 - Regional councils or redevelopment agencies
 - Non-profit organizations

- Funding:
 - Up to \$200,000
 - Award ~20 grants biennially

Next Solicitation: TBD

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ENVIRONMENTAL WORKFORCE DEVELOPMENT AND JOB TRAINING GRANTS

- Provide funding to recruit, train, and place unemployed and under-employed residents of communities affected by solid and hazardous waste.
- Support training in various environmental programs across EPA (such as solid waste, Superfund, brownfields, emergency response, waste and stormwater, chemical safety, etc...).
- Who is eligible?
 - States, counties, municipalities, tribes, and U.S. territories
 - Colleges and universities
 - Community job training organizations
 - Non-profit training centers and Workforce Investment Boards

- Funding:
 - Up to \$200,000 each
 - Award ~16 grants annually

Next Solicitation: Fall 2019?

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USEPA TECHNICAL ASSISTANCE

- Targeted Brownfield Assessments (TBA).
- Technical Assistance for Brownfields (TAB)
- Tribal Technical Assistance



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TARGETED BROWNFIELDS ASSESSMENTS (TBA)

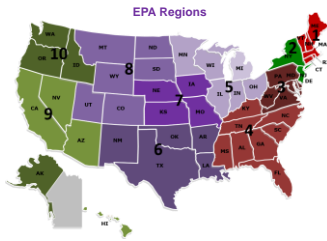
- EPA performs environmental assessments for a community using a contractor
- Especially useful for small and rural communities as well as environmental justice communities
- Requests are accepted by regional EPA offices on a rolling basis
- Non-competitive (i.e., not a national competition)

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TECHNICAL ASSISTANCE TO BROWNFIELD (TAB) COMMUNITIES

- Assists communities and tribes with the brownfields redevelopment process
- A national program
- Free to communities
- Funded by EPA via grants to 3 different entities
- K-State assists communities in EPA Regions 5, 6, 7 & 8
- Center for Creative Land Recycling (CCLR) assists in EPA Regions 2, 9, and 10



- New Jersey Institute of Technology (NJIT) assists in EPA Regions 1, 3, and 4



HOUSING AND URBAN DEVELOPMENT (HUD)

ENTITLEMENT AND STATE/SMALL CITIES CDBG PROGRA

- Cities over 50,000 people get annual formula allocations
- Each state gets an annual funding allocation from HUD to meet small cities' (less than 50,000 population) community development needs
- CDBG funds must meet one of HUD's 3 broadly defined program objectives:
 - addressing the needs of low- and moderate-income people (at least 51% of funds)
 - addressing slums and blight
 - meeting an urgent community need



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CDBG ELIGIBLE ACTIVITIES LINKING TO BROWNFIELD NEEDS

- Demolition and removal
- Rehabilitation of public and private buildings
- Planning
- Construction or reconstruction of infrastructure, neighborhood centers, recreation/public works facilities
- Can include coping with contamination as part of site preparation or infrastructure development
- Can be lent to private companies in some circumstances
- For the state/small cities program –
 - Each state sets its own project funding priorities, defines its own program requirements, within these objectives and activities



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CDBG CASE STUDY: MARSH ISLAND CARRY

OLD TOWN, ME

- (7-118) Abandoned 3-acre Lily-Tulip paper plate manufacturing site on Penobscot River
 - Converted into waterfront park, 2 commercial buildings
 - Key funding included **\$400,000 state/small cities CDBG grant for infrastructure around commercial buildings**
 - Other funding included:
 - \$24,500 from the National Trails Recreation Act for trails, walkways, and river stabilization
 - \$8,000 from ME Forest Service for trees
- Leverage:** 4 new businesses, 30 jobs, \$18,000 in property tax revenues, open space



CDBG CASE STUDY SMALL BUSINESS INCUBATOR

WALTHILL, NE

(784)

- Small business incubator in Walthill (population 909)
- Renovated and modernized former 4,000 sq. ft. electric power plant site, built in 1910, abandoned 20+ years
- Financing included -
 - \$105,000 in state small/ cities CDBG
 - \$150,000 local sources



ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)



- Key EDA investment Priorities
 - Public Works
 - Economic Adjustment
 - Planning
 - Regional Innovation Strategies
 - Trade Adjustment for Firms
 - Research and National Technical Assistance
 - Local Technical Assistance.
- Must be included in Comprehensive Economic Development Strategy – CEDs.

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EDA CASE STUDY PLAINVIEW AR

(755)

- Lumber/pressure treating facility, shut down in 1986
- Declared superfund site in 1999
- Redeveloped as specialty steel plant
- EDA public works - \$763,000 for site preparation, construction, infrastructure as part of \$1.1 million financing package



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TRANSPORTATION PROGRAMS



- DOT highway/transit construction programs can support related revitalization by:
 - Helping upgrade existing facilities
 - Offer transportation amenities that improve access to and marketability of Brownfield sites
 - Fund facilities and structures that serve as part of the remedial solution
- Transportation funds can be used for cleanup integral to transportation system development/upgrades
- Must work through state / local transportation agencies

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DOT CASE STUDY FORMER CONOCO TOWER-SHAMROCK, TX (1,946)

- Opened in 1936 to serve the new Route 66 cutting thru the city; combined gas station and "U-Drop Inn Café"
- Closed in mid-1990s
- Purchased by First National Bank of Shamrock in 1997 and donated to city
- Restored by city of Shamrock for use as Chamber of Commerce
- **\$1.7 million DOT enhancement grant** paid for most of the station restoration, supplemented by local fundraising
- Café is being restored as a revenue-generating enterprise to help cover maintenance costs
- *Fun fact:* inspired "Ramone's Body Shop" in Disney movie "Cars"



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NEW MARKETS TAX CREDIT



- NMTC program provides a tax incentive for private sector investment into economic development projects and businesses located in low-income communities.
- Program overseen by U.S. Department of the Treasury and directly administered by the Community Development Financial Institutions ("CDFI") Fund <https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx>
- NMTCs are allocated by the CDFI Fund to community development entities ("CDEs")
- CDEs offer NMTCs to investors in exchange for qualified equity investments ("QEIs") for the purpose of a making loans to qualified active low-income businesses ("QALICBs")
- Sweet spot - \$5-10M loans

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