



## **Welcome to the CLU-IN Internet Seminar**

Brownfields Area-Wide Planning Federal Resources - 2012 Update

Sponsored by: EPA OBLR

Delivered: February 8, 2012, 1:30PM – 2:45PM, EST (18:30 PM-19:45 PM GMT)

*Instructors:*

*Charlie Bartsch, EPA OSWER Senior Advisor for Economic Development (bartsch.charlie@epa.gov)*

*Aimee Storm, EPA Brownfields Area-Wide Planning Coordinator (storm.aimee@epa.gov)*

*Clark Henry, SRA (clark\_henry@sra.com)*

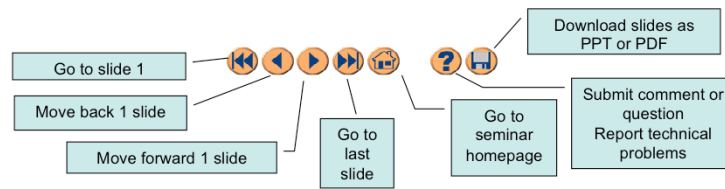
*Moderator:*

*Jean Balent, EPA Technology Innovation and Field Services Division, (balent.jean@epa.gov)*

Visit the Clean Up Information Network online at [www.cluin.org](http://www.cluin.org)

# Housekeeping

- Please mute your phone lines, Do NOT put this call on hold
  - press \*6 to mute #6 to unmute your lines at anytime (or applicable instructions)
- Q&A
- Turn off any pop-up blockers
- Move through slides using # links on left or buttons



- This event is being recorded
- Archives accessed for free <http://clu.in.org/live/archive/>

2

Although I'm sure that some of you have these rules memorized from previous CLU-IN events, let's run through them quickly for our new participants.

Please mute your phone lines during the seminar to minimize disruption and background noise. If you do not have a mute button, press \*6 to mute #6 to unmute your lines at anytime. Also, please do NOT put this call on hold as this may bring delightful, but unwanted background music over the lines and interrupt the seminar.

You should note that throughout the seminar, we will ask for your feedback. You do not need to wait for Q&A breaks to ask questions or provide comments. To submit comments/questions and report technical problems, please use the ? icon at the top of your screen. You can move forward/backward in the slides by using the single arrow buttons (left moves back 1 slide, right moves advances 1 slide). The double arrowed buttons will take you to 1<sup>st</sup> and last slides respectively. You may also advance to any slide using the numbered links that appear on the left side of your screen. The button with a house icon will take you back to main seminar page which displays our agenda, speaker information, links to the slides and additional resources. Lastly, the button with a computer disc can be used to download and save today's presentation materials.

With that, please move to slide 3.

*FY 2012 Federal  
Funding for  
Economic Re-development –  
Briefing for BF AWP grantees*



**Charlie Bartsch**  
Senior Advisor for Economic Development

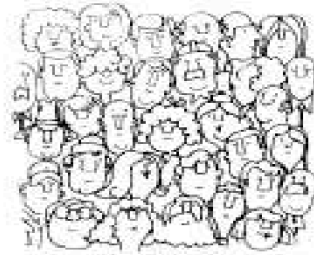
**Aimee Storm**  
Brownfields AWP Program Coordinator

**February 8, 2012**

## *What this discussion will cover...*

Federal funding available in FY 2012  
from the federal programs family most  
often used in conjunction with BF/site  
redevelopment projects –

- *EPA, HUD, DOT*
- *EDA, USDA*
- *SBA, Others*



## ***EPA Brownfield Assessment , Cleanup and RLF Capitalization Grants***

### **Eligible entities**

- State/local governments, tribes, redevelopment agencies, land clearance/community development/port authorities, other quasi-governmental entities; non-profits for cleanup grants **only**

### **Availability**

- Up to \$200,000 for **assessment and cleanup** grants(either hazardous substance or petroleum)
  - *Waiver for up to \$350,000 for site specific use*
- Up to \$1 million for **RLFs**

### **Uses/redevelopment impacts**

- **Assessment** – inventory, prioritize, assess sites; cleanup and linked re-development planning; brownfields AWP
- **Cleanup and RLF** – carry out cleanup activities; oversee cleanup construction, health monitoring; institutional controls, purchase environmental insurance
  - *RLF can be used for loans; 40% may be used for sub-grants*

## ***EPA/Brownfields – Funding wrinkles and reality check***

- Tight competition – about 1 in 3 qualified applications able to be funded
- Limit on administrative cost uses may inhibit small, non-profit applicants with little capacity
- New emphasis on implementation, leveraging commitments
- Sequential assessment/cleanup funding process may cause redevelopment timing issues
- Consider possible BF AWP ties to Environmental Workforce Development and Job Training grant

### ***FY 2012 funding –***

- *Program funded at \$95.0 million; BF ARC **grants** (assessment, cleanup, RLF) likely @ \$70 million*

## ***EPA Clean Water, Drinking Water state revolving loan funds***

- State funds capitalized by EPA each year
- States set RLF priorities within broad EPA guidelines
- Individuals and non-profits among eligible loan recipients
- Can finance loans up to 20 years; activities can include brownfield mitigation to correct or prevent water quality problems, including groundwater contamination
- Eligible activities include –
  - *Site assessments, disposal of USTs, excavation/removal/disposal of contaminated soil or sediments*

## ***Water SRFs – Funding wrinkles and reality*** ***check***

- States set RLF project priorities, determine recipients of RLF proceeds
- 10% minimum of CWSRF must be used for green infrastructure/low-impact/innovative projects
  - *state discretion for DWSRF funds*
- EPA's water office is developing strategies for green infrastructure financing

### ***FY 2012 funding –***

- **Clean water SRF**
  - *\$1.469 billion for capitalization grants*
- **Drinking water SRF**
  - *\$919.36 million for capitalization grants*



### ***HUD Community Development Block Grants***

- **Entitlement cities (50,000+ ) and urban counties (200,000+)** get **formula-based annual grants**
- **Direct formula-based grants to states for small cities' needs**
  - *Small communities (> 50,000) compete for funds distributed by states according to state priorities*

***Brownfield AWP-specific potential:*** Help finance all phases of brownfield redevelopment/ project implementation, consistent with HUD objectives

### ***CDBG – Funding wrinkles & reality check***

- Projects are locally determined
- Considerable local competition for funds
- Many long-time, repeat local recipients
- Low-mod benefit is primary HUD objective (minimum use of 70% of CDBG funds)
- Typical entitlement, state grantee may experience **10 % to 20% funding cut** from FY2011 levels

#### ***FY 2012 funding –***

- **Community Development Block Grants**
  - *\$2.95 billion in formula grants*
    - 70% to entitlements, 30% to small cities
    - additional \$360 million for other CD purposes (total CD fund = \$3.31 billion)

## ***HUD Section 108 guarantees, Sustainable Communities, BEDI grants***

- **Section 108 loan guarantees** -- entitlement jurisdictions (cities and counties), and states on behalf of small cities, can apply for up to 5X their annual entitlement in loan guarantees, for CDBG-eligible activities
- **Sustainable communities challenge and implementation** grants for project planning and execution
- **Brownfield Economic Development Initiative (BEDI)** – brownfield redevelopment grants

***Brownfield AWP specific potential:*** Help finance all phases of brownfield redevelopment/ project implementation, consistent with HUD objectives

## ***Section 108, Sustainability, BEDI – Funding wrinkles & reality check***

### **Section 108 loan guarantees --**

- Typically used for infrastructure/site preparation projects with definable repayment revenue stream
- ***Caveat for small cities*** – in practice, state link severely limits participation

### ***FY 2012 funding –***

- **Section 108**
  - \$240 million in Section 108 loan **guarantees** (*supported by a \$5.95 million appropriation*)
- ***Zero funded for FY 2012:***
  - **Sustainability grants**
  - **BEDI**

## ***DOT Highway and Transit Programs***

- **Surface transportation** formula grants
  - *Finance roads, highways, bridges, traffic flow improvements*
  - *Can also finance congestion mitigation, enhancement projects*
    - *bicycle and pedestrian facilities, historic preservation/rehab/operation of historic trans. buildings/facilities*
- **Transit construction and operations** grants
  - *Finances bus/rail transit system/facility construction, modernization, and maintenance*
- **Metropolitan planning organization** formula grants
  - *Assists metro areas plan for the development and management of a range of transportation systems*

***Brownfield AWP-specific potential*** – creative integration of a range of transportation/related projects into area-wide revitalization efforts at abandoned/underused sites

### ***DOT – Funding wrinkles and reality check***

- Linked to transportation system/facility siting
- Communities must work thru state MPOs, local transportation agencies
- Projects are determined by states, MPOs – and need to fit with MPO plan
- Planning process takes a long time
- Can be difficult to get an alternative transportation-related use into local system

#### ***FY 2012 funding –***

- *\$500 million for National Infrastructure Investments (TIGER grants)*
  - Requires at least \$120.0 million in rural projects

## ***DOT – Funding wrinkles and reality check***

### ***FY 2012 funding (cont.) –***

- **Highway Trust Fund**
  - *\$39.14 billion in grants*
    - Includes \$429.8 million for transportation research
- **Transit**
  - *\$9.4 billion in formula and bus grants*

## ***Economic Development Administration***

- **Public works** grants
  - *Finance industrial site re-development, building reuse, and infrastructure preparation*
- **Economic dislocation** program
  - *capitalizes economic adjustment RLFs for distressed areas*
- **Planning** to support revitalization
  - *through Economic Development Districts (EDDs)*

***Brownfield AWP-specific potential:*** can finance business-based, job promoting projects; support necessary redevelopment planning activities



### ***EDA – Funding wrinkles and reality check***

- Limited funding, significant competition
- Applications accepted on a quarterly basis
  - *Pre-approval at regional office level*
- Projects driven by job-generating potential, minimum \$/job requirements
- Unemployment key eligibility/ selection factor
- Often, a focus on smaller towns, rural areas

#### ***FY 2012 funding –***

- ***\$220.0 million total for public works, economic dislocation, planning grants and guarantees***
  - Includes \$5.0 million for in-sourcing projects
  - Includes \$10.0 million for guarantees authorized under the America COMPETES Act

## ***EDA – Funding wrinkles and reality check***

### ***FY 2012 funding (cont.) –***

- **Public works**
  - *\$111.64 million in grants*
- **Planning**
  - *\$29.0 million in grants*
    - To rural economic development districts
- **Economic adjustment assistance**
  - *\$50.06 million in grants*

## ***USDA Rural Development Programs***

- **Community facility, utility** loans, guarantees, and grants
- **Business and industry** loans
  - *activities can include industrial park site development/rehabilitation or access ways*
- **Intermediary re-lending** program
  - *to finance business facilities*
- **Rural development** grants (RBEGs/RBOGs)

***Brownfield AWP-specific potential:*** can all be used to meet brownfield cleanup and redevelopment needs, finance activities complementary to reuse

### ***USDA – Funding wrinkles and reality check***

- Applications are made to state USDA state offices on a rolling basis; these offices have significant influence on project funding decisions
- Population a key determining factor; typically, the smaller the community, the more competitive it is
- Private entities eligible for B&I assistance, non-profits for all assistance

#### ***FY 2012 funding –***

- **Community facilities**
  - *\$1.3 billion for **direct loans***
  - *\$105.71 million for **guaranteed loans***
  - *\$11.36 million for **grants***
    - Includes \$3.6 million for capacity building

## ***USDA – Funding wrinkles and reality check***

### ***FY 2012 funding (cont.) –***

- **Business and Industry (B&I) development**
  - \$822.89 million in ***loan guarantee authority***
- **Rural business enterprise**
  - \$24.32 million in ***RBEG grants***
- **Rural Business opportunity**
  - \$2.25 million in ***RBOG grants***
- **Rural development loans**
  - \$17.71 million in ***loan authorizations***
- **Rural Electrification Act**
  - \$33.08 million for ***economic development/job creation projects***

## ***USDA – Funding wrinkles and reality check***

### ***FY 2012 funding (cont.) –***

- **Rural Energy for America (REAP) program**
  - \$6.49 million for **loan** authorizations
  - \$1.7 million in **grants**
- **Rural water, waste water, disposal, solid waste programs**
  - \$513.0 million total loans, loan guarantees, and grants
    - \$730.69 million in water and waste **loan** authorizations
    - \$62.89 million in water and waste **guaranteed loans**
    - \$327.11 million in water and waste disposal **grants**
  - Within the \$513.0 million total:
    - Includes \$66.5 million for tribes
    - Includes \$19 million for technical assistance grants
    - Includes \$15 million for circuit rider t.a.

## ***SBA loan/loan guarantee programs***

- **Section 7(a)** guaranteed loans, including the “low docs” program
- **Community Development Corporation** guaranteed loan program
- **Small Business Investment Company** program
  - *Guaranteed loans for debentures*
- **Trust certificate guarantees**

***Brownfield AWP-specific potential:*** can reduce private sector risks associated with small business development, including facility preparation and related needs

## ***SBA – Funding wrinkles and reality check***

- Key programs operate as guarantees of private financing
- Much decision-making delegated to private, typically SBA “certified” lenders – who may not understand VCP, other processes and liability relief mechanisms
- Limited tolerance for loss – but any small business development project activity eligible
- Small business size limits fairly generous, especially for manufacturing

### ***FY 2012 funding –***

- **Section 7(a)**
  - *\$17.5 billion limit on **guaranteed loan** levels*



## ***SBA loan/loan guarantee programs***

### ***FY 2012 funding (cont.) –***

- **Community Development Corporation (CDC) program**
  - *\$7.5 billion in loan guarantee commitments*
- **Small Business Investment Company program**
  - *\$3.0 billion in debenture guarantee commitments*
- **Trust certificate guarantees**
  - *\$12.0 billion in trust certificate guarantees*

NOTE: \$207.1 million appropriation to support all this guarantee activity for FY 2012



## ***With Some Creative Application – What Other Federal Programs Might Be Linked to Remediation and Redevelopment?***

- **HUD Choice Neighborhoods Initiative** – focusing on a range of community development/betterments, vacant property-to-housing initiatives: ***\$120 million***
  - *\$80 million to be awarded to public housing authorities*
  - *Requires consultation with EPA to coordinate, leverage federal \$\$*
- **HUD HOME Investment Partnerships** – to encourage private development of affordable housing: ***\$1 billion, allocated by formula***
- **Appalachian Regional Commission** – road and economic development projects in Appalachian states: ***\$68.26 million***
- **Community Development Financial Institutions** – for community based projects carried out thru qualified lender organizations: ***\$221.0 million (of which up to \$22 million is reserved for a healthy food financing initiative)***

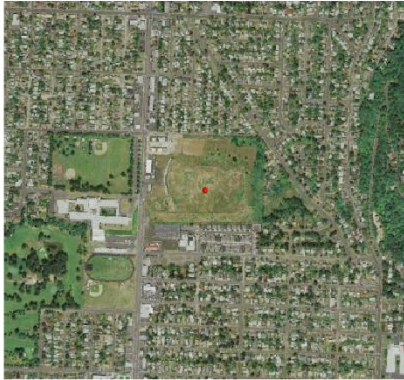


***With some creative application --  
5 federal tax incentives that can be  
linked to BF redevelopment***

- **Rehabilitation** tax credits
  - Permanently authorized; available to all projects meeting SHPO, federal requirements
- **Low-income housing** tax credits
  - \$3.5 billion in annual allocation to states
- **New Markets Tax Credits**
  - \$3.5 billion allocated 2/11; another round anticipated this year
- **Energy efficiency/renewable energy** tax credits
  - Most available thru 2013
- **Brownfield cleanup expensing** tax deduction
  - On hiatus; in tax extender package retroactive to 1/1/12

# **BROWNFIELD AREA-WIDE PLANNING**

## **Implementation Resource Tool**



Provide BF AWP grantees the most effective way to identify and evaluate federal resources which could help with project implementation phase

## **BROWNFIELD AREA-WIDE PLANNING**

### Implementation Resource Tool

- Housing and Urban Development (HUD)
- Environmental Protection Agency (EPA)
- Department of Transportation (DOT)
- US Department of Agriculture (USDA)
- Department of Commerce (DOC)
- Small Business Administration (SBA)
- Department of Energy (DOE)
- Department of Interior (DOI)
- Health and Human Services (HHS)

# BROWNFIELD AREA-WIDE PLANNING

## Implementation Resource Tool

Searchable Spreadsheet of Multiple agencies  
and programs

- Agency
- Type (grant; loan; etc.)
- Function (acquisition; infrastructure; housing; etc.)
- Eligibility
- Size of resource
- Rural specific

“Core” and “Related” Resources



# Resources & Feedback

- To view a complete list of resources for this seminar, please visit the [Additional Resources](#)
- Please complete the [Feedback Form](#) to help ensure events like this are offered in the future

The screenshot shows the EPA Technology Innovation Program Feedback Form. The form is titled "U.S. EPA Technical Support Project Engineering Forum (Open Remediation) Opening the Door to Field Use Session C (Open Remediation Tools and Possibilities) Seminar Feedback Form". It includes a sidebar with links like "Go to Seminar", "Links", "Feedback", "Home", and "CLU-IN Studio". The main content area has a message: "We would like to receive any feedback you might have that would make this service more valuable. Please take a few minutes to fill out this form before leaving this site." Below this are fields for "First Name", "Last Name", "Email Address", and "Date of Seminar". There is a checkbox labeled "I would like to receive a copy of this feedback and/or be a record of my participation in this address". An arrow points to this checkbox.

Need confirmation of your participation today?

Fill out the feedback form and check box for confirmation email.