



Brownfield Redevelopment

Virginia Municipal League
Annual Conference

October 22, 2008

Agenda



- U.S. EPA Brownfields program and land revitalization



- Using EPA grants to start a local program
- Using EPA grants to leverage private investment

What is a Brownfield?

- Facilities and/or land previously used for industrial or commercial uses where it is complicated by real or perceived environmental contamination
- Superfund NPL sites and federally owned land/facilities are NOT eligible for brownfields funding
- Examples include:
 - ▣ old industrial or manufacturing sites
 - ▣ abandoned commercial or retail establishments
 - ▣ gas stations or petroleum sites
 - ▣ controlled substance (drug) labs

What Are The Fears?

- Sites dirty, trashed, former use left in ruin
- Concerns over “Unknowns”
 - Contamination
 - in the soil
 - in the buildings
 - in the waterways
 - Liability
 - would buyer be responsible for cleanup?

Enter the U. S. EPA

- Brownfields initiative began in mid-1990s
 - funding to select communities as “pilots”
 - grew in popularity
 - additional communities
- Small Business Liability Relief and Brownfields Revitalization Act of 2002:
 - “Official” program
 - Authorized \$250 million per year

What Does EPA Do?

- Provides grants to communities
- Fund State Programs
- Provide technical assistance

Why?

- Address vacant properties
 - ▣ Dispel hesitancy between owners and developers
 - ▣ Creates tax revenues and jobs
- Solve health and environmental concerns
- Preserve greenspace
 - ▣ For every acre redeveloped = 4.5 acres saved

EPA Brownfields Grants

- Assessment⁺
- Revolving Loan Fund (RLF)
- Cleanup⁺

⁺ Delineate between hazardous substance (including asbestos, lead paint, other environmental hazards), and petroleum

^{*} Job training grants are offered under a different solicitation process and schedule

Assessment Grants

- Purpose: To inventory, characterize, assess, and conduct planning and community involvement related to brownfield sites.
- No cost share required
- Funds can be used on privately owned sites
- **Three kinds—**
 - **Community-wide**
 - **Site-specific** (single site)
 - **Assessment Coalition**

Assessment Grants

- Community Wide
 - Most flexible--no need to identify sites
 - Up to \$200,000 for hazardous substance and/or up to \$200,000 for petroleum Site Specific
- Site Specific
 - Up to \$200,000 for hazardous or petroleum substances (or co-mingled) at a specified site (Can request up to \$350K per property with approved waiver)
 - For large or heavily contaminated sites
 - Funding can be used on named site only, no substitutions allowed
- Coalition
 - Helps to focus brownfields resources on a broader geographic area
 - Up to \$1million for hazardous substance and/or petroleum (e.g., \$500k hazardous, \$500k petroleum)
 - 3 or more eligible entities submit one proposal (must be community-wide proposal)

Revolving Loan Fund Grants

- Makes low interest loans to carry out cleanup activities at brownfields properties
- Up to \$1M per eligible entity—combination of hazardous and petroleum funding
- Coalitions (of 2 or more applicants) may apply for \$1million each
- Cost share requirement of 20%

Revolving Loan Fund Grants (cont'd)

- Up to 40% of total RLF funds can be used for subgrants to clean up publicly-owned or nonprofit owned sites.
 - Maximum subgrant-\$200,000 per site
 - **Subgrantee must own the site**
 - Private parties/developers are NOT eligible for subgrants, only loans
 - Applicant determines loan structure (interest rate, loan terms)

Cleanup Grants

Purpose: Site specific funding to pay for cleanup of contamination) after all assessment work is completed

- Up to \$200,000 per site hazardous substances and/or petroleum contamination (requires a 20% cost share); up to 3 sites
- Governmental entities and nonprofits may apply
- Applicant must own the site
- Must have all site assessment work complete by time of proposal

National Accomplishments Since 2002

- 1255 Assessments funded > \$298M
- 230 Loans funded > \$217M
- 426 Clean Ups funded > \$78.7M

More Importantly – Leveraging!

- \$10.4B in cleanup and redevelopment funds
- 11,738 properties assessed
- 256 properties cleaned up
- 47,201 jobs in cleanup, construction, redevelopment

Brownfields Grants in 2008

- In 2008, EPA received over 800 proposals for funding
 - ▣ Funded 314 grants nationally (\$74 million)
 - ▣ 194 assessment grants; 108 cleanup grants; 12 RLF grants
- Region 3 received 74 proposals
 - ▣ 22 selected for funding

Funding for 2009

- Total funding available under national competition is estimated at \$81 million
- EPA must expend 25% on sites contaminated with petroleum
- EPA anticipates funding 329 grants nationally among all three grant types:
 - 183 assessment grants --\$37 million
 - 135 cleanup grants--\$27 million
 - 11 Revolving loan fund grants--\$16.8 million

FY 2009 Application Timeline

- August 22, 2008-ARC Request for Proposals
- November 14, 2008-Proposal Due Date
- Spring 2009-Awards announced
- Funds can be used October 2009

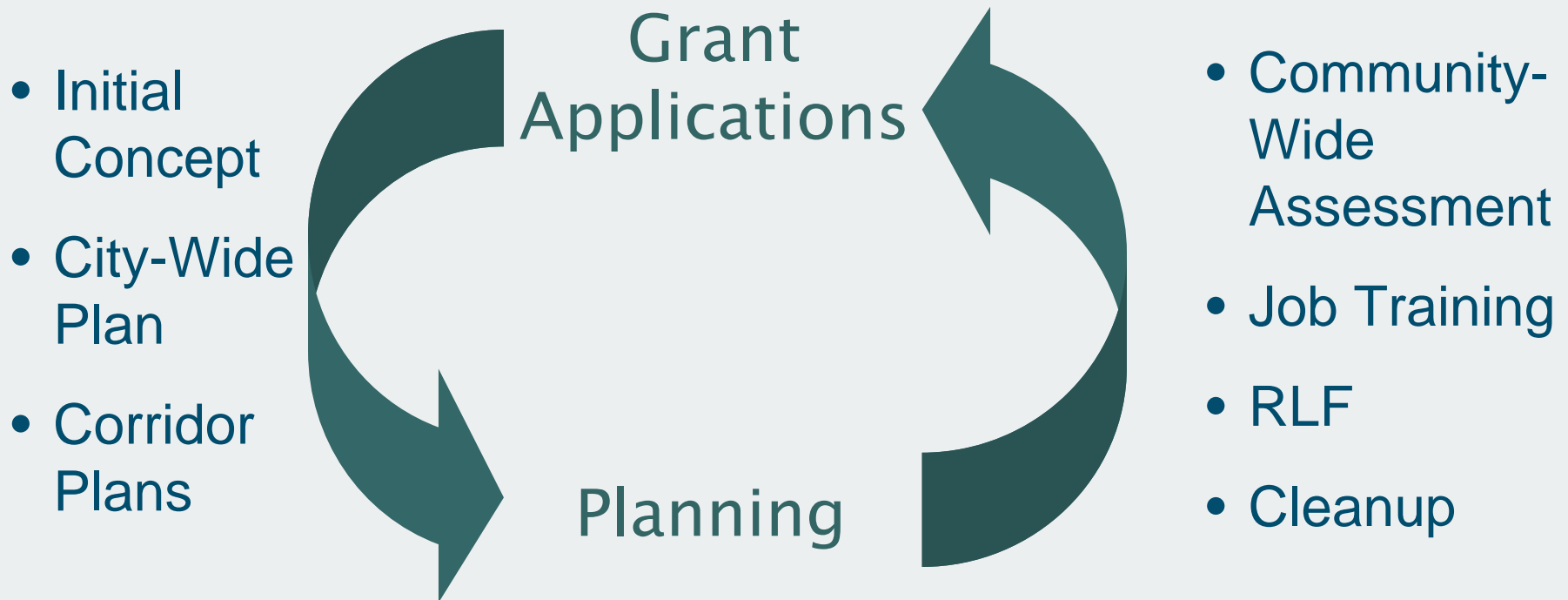
Other EPA Brownfields Programs

- Brownfields Job Training Grant Program
 - Up to \$200,000 to train for hazardous site cleanup related work.
 - Separate solicitation process.
 - www.epa.gov/brownfields/job.htm
- Targeted Brownfields Assessment (TBA) Program
 - Non-grant program that provides direct EPA assessment assistance to communities.
 - www.epa.gov/reg3hwmd/bfs/regional/eligibility.htm

Contact Information

- EPA Region 3 Brownfields Website
www.epa.gov/reg3hwmd/bfs/index.htm
- EPA's Brownfields Website (download the Proposal Guidelines here)
www.epa.gov/brownfields/applicat.htm
- Region 3's Brownfield website (helpful hints and presentation materials)
www.epa.gov/reg3hwmd/bfs/grants/index.htm
- FY09 ARC Frequently Asked Questions (FAQ)
www.epa.gov/brownfields/publications/fy2009faqs.pdf
- Fact sheet on changes to Brownfields ARC grant guidelines-
www.epa.gov/brownfields/publications/arc_factsheet.pdf
- Fact sheet on Brownfield Assessment Coalitions-
www.epa.gov/brownfields/publications/acfs_062408.pdf
www.epa.gov/brownfields/publications/fy2009moa.pdf

Cycle of Planning and Applying for Grants



Goal – leverage private investment
in a Strategic Manner



Developing a Local Program

2005 - Initial Strategy

- Strategic Initiative from Comprehensive Plan
- EPA Grants – Opportunity for funding
 - South Jefferson Redevelopment Area
 - Mountain View/Norwich Neighborhoods
- 2005 Grant Applications
 - \$200,000 Petroleum Assessment
 - \$200,000 Hazardous Substances Assessment
 - \$2,000,000 Revolving Loan Fund



Developing a Local Program

2006 - Initial Success

- Assessment grants awarded
- Compelling Story
 - Selected target areas
 - Demographics/need
 - Vision for reuse consistent with EPA goals
 - Sustainability
- Don't Give EPA Reason to say "No"



Developing a Local Program

2006 - Gaining Momentum

- Job Training Grant
 - Encouraged to apply summer 2006
 - \$173,263 grant award announced fall 2006
- Revolving Loan Fund
 - Reapplied for \$1,000,000 grant fall 2006



Developing a Local Program

2007 - Starting a Formal Program

- Public Meetings and Outreach
 - Support for target areas
 - Expand to other corridors
 - What projects will be supported
- EPA grants are a starting point
 - Land use
 - Land assembly
 - Other tools

Brownfield Planning Documents

- City-Wide Brownfield Redevelopment Plan
 - Broad land use
 - Policy to facilitate reuse
 - Define city role in process
- Mountain View/Norwich Corridor Plan
 - Specific land use and new district
- Formal processes and procedures



**City-Wide Brownfield
Redevelopment Plan**
City of Roanoke, Virginia

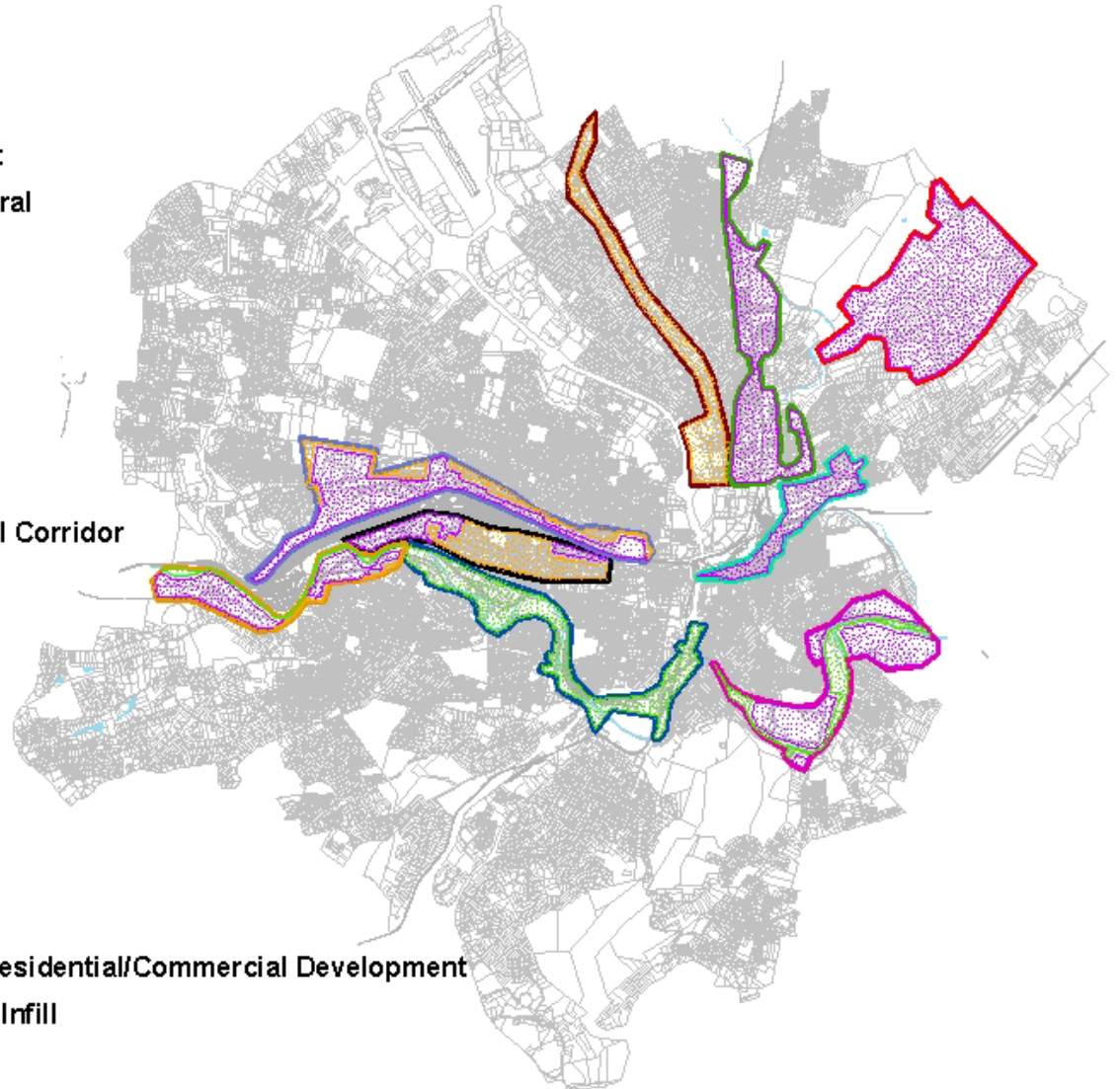
December 20, 2007






Brownfield Corridors

Brownfield Corridors

-  Roanoke River Corridor West
-  Roanoke River Corridor Central
-  Roanoke River Corridor East
-  Hollins/Plantation Corridor
-  Statesman/RCIT Corridor
-  Rail Corridor Shenandoah
-  Rail Corridor Norfolk/Salem
-  Rail Corridor Campbell East
-  Williamson Road Commercial Corridor



Reuse Objectives

-  Green Corridor with Mixed Residential/Commercial Development
-  Commercial and Residential Infill
-  Continued Industrial Use



Developing a Local Program

2007 - Continue Gaining Momentum

- Virginia Scrap
 - First assessment project
 - Cleanup grant application (\$200,000)
- Build on City-Wide Brownfield Plan
 - Additional funds needed for other areas
 - Assessment grant application (\$200,000)



Developing a Local Program

EPA Grants Awarded

● Assessment (3)	\$600,000
● Job Training	\$173,000
● Clean Up	\$200,000
● Revolving Loan Fund	\$1,000,000
● City matches	<u>\$240,000</u>
● Total	\$2,213,000



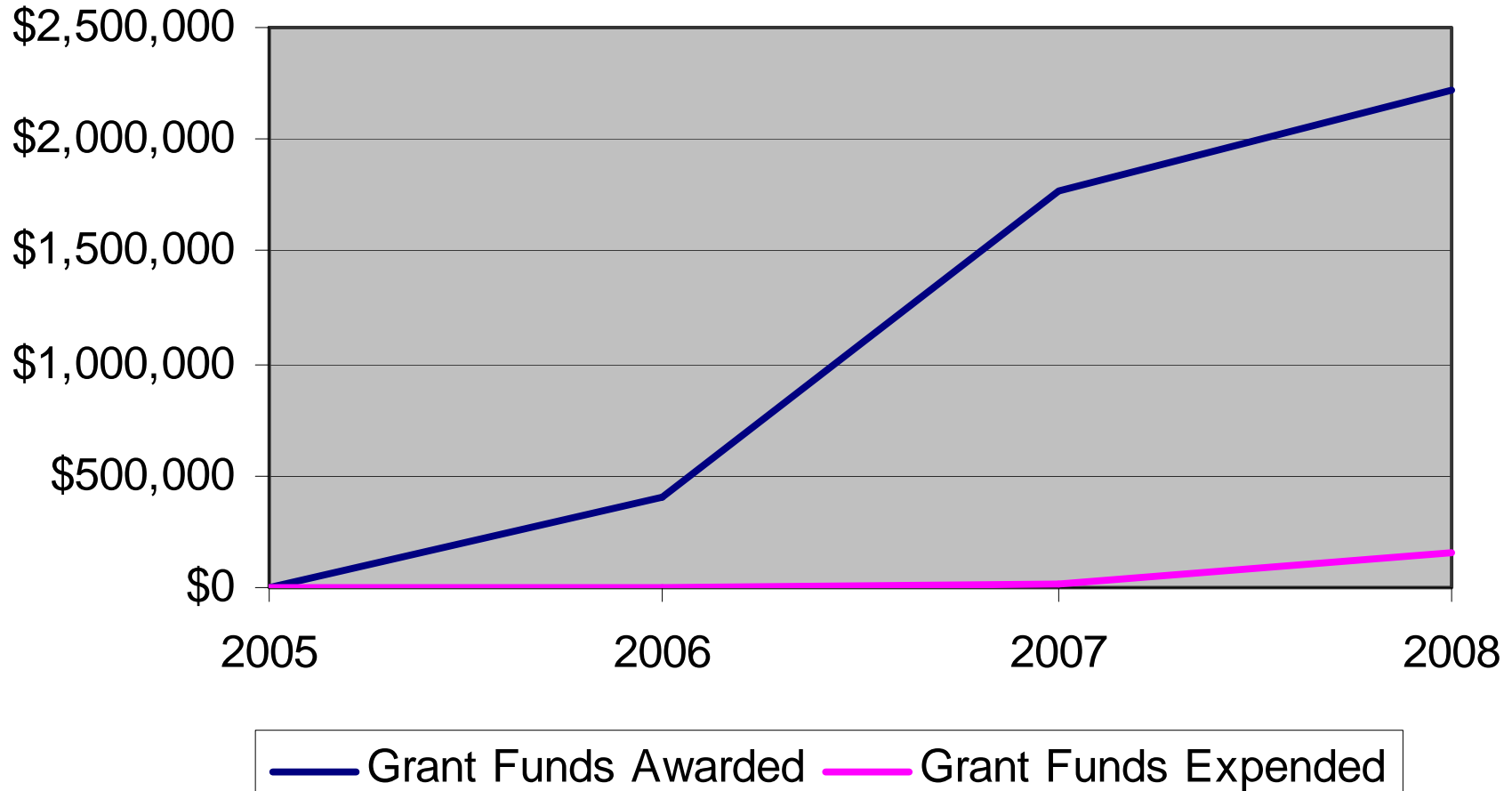
Developing a Local Program

Project Activities

- 2006
 - Limited outreach
- 2007
 - Significant public outreach
 - Began development of formal plans
 - Established job training program
 - 1 Phase I ESA, 1 Phase II ESA
- 2008
 - Targeted public outreach
 - 3 Phase I ESAs, 1 Phase II ESA
 - Job training courses
 - Plan adoption

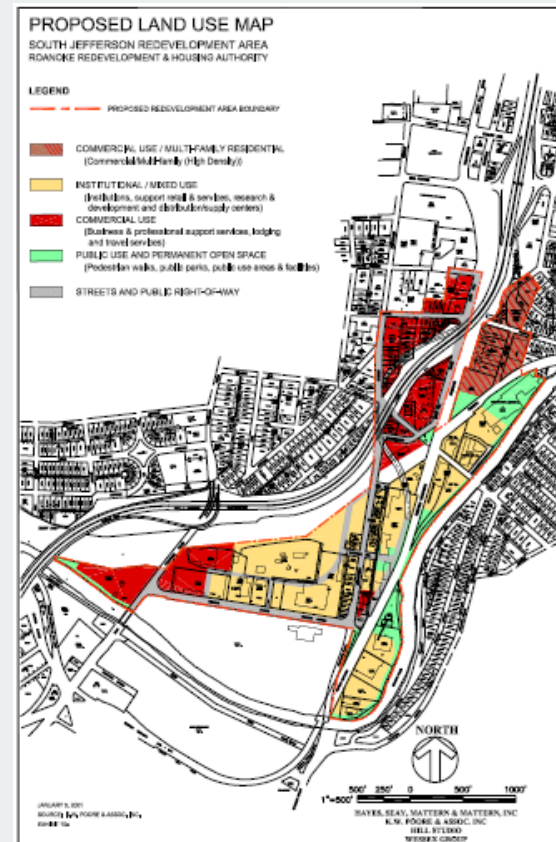


Developing a Local Program



South Jefferson Redevelopment Area

- Formal Redevelopment Area
- 110 Acres
- Three Design Themes
 - Campus (Riverside Center)
 - Jefferson Street
 - The Crossings





Leveraging Private Investment

Public Investment

- \$20,000,000 since 2000
- Establish and administer Redevelopment Area
- Riverside Center (25 acre initial development)
 - Property acquisition
 - Environmental assessments
 - Infrastructure



Riverside Center

- Historic uses
 - Virginian Railway
 - Small industry
- Environmental Issues
 - Metals in cinder fill from railroad
 - Institutional controls – no cleanup

Riverside Center

- \$200,000,000 in private investment

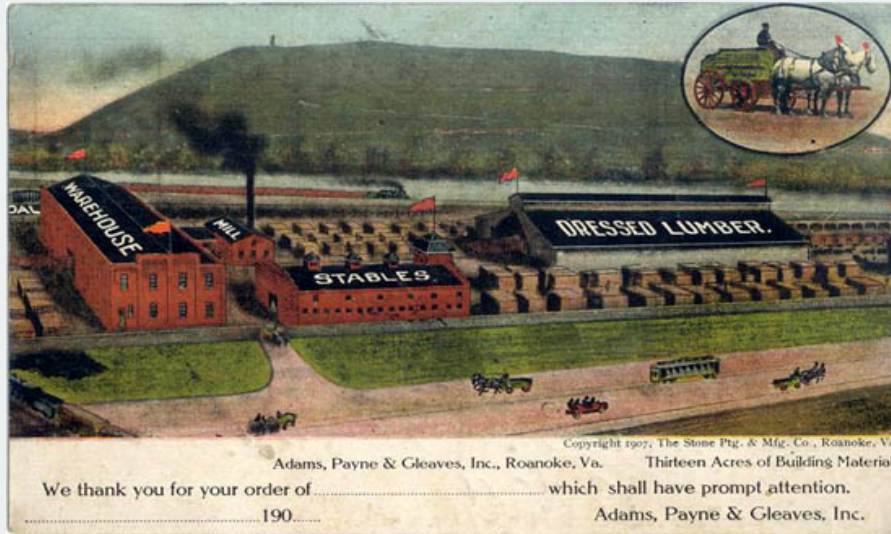
- Carilion Biomedical Institute
- Carilion Clinic
- Cambria Suites
- Parking Deck
- VA Tech/Carilion Medical School



Virginia Scrap

- Key link
 - Riverside Center
 - Jefferson Street/
Downtown
 - Crossings
- Combined with Adjacent Mill
 - 10-acre site





Virginia Scrap

- Historical Uses
 - Lumber/building supplies
 - Scrap yard
- Environmental Issues
 - Metals
 - Oil



Leveraging Private Investment

Virginia Scrap

- Development/Cost Issues
 - Site assessment incomplete
 - Estimated cleanup cost (\$1,400,000) exceeds property value
 - Flood plain issues (\$900,000)



Leveraging Private Investment

Public Investment to Initiate Reuse

- **Property Acquisition/Assembly (City funds)**
 - Virginia Scrap purchased by RRHA
 - Combined with former Mill Property for prospective development
- **Environmental Assessment (EPA grant funds)**
 - Due diligence (Phase I and Phase II ESAs)
 - Complete site and risk assessments (pending)
 - Develop remediation plan (pending)
- **Environmental Cleanup (EPA grant funds)**
 - Site-specific cleanup grant
 - Revolving loan fund grant
- **Total Value - \$700,000 - \$1,900,000**



Leveraging Private Investment

Prospective Private Development

- Mixed commercial, institutional, residential
- Fill for flood proofing serves as engineering control (offsets cost additional cleanup)
- Up to 700,000 sf of developed space
- Potential assessed value of \$70,000,000



Leveraging Private Investment

Other Projects

- Foot Levelers expansion
- Reserve Avenue study
- Evans Paint assessment and sale
- Williamson Road node study



Questions??

www.epa.gov/reg3hwmd/bfs/index.htm

www.roanokeva.gov/brownfields