



TOOLS OF THE TRADE: REGIONAL BROWNFIELDS RLFS FOR EDDS

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The [Environmental Protection Agency's \(EPA\) Brownfields program](#) has given many eligible entities, including, but not limited to, cities, counties, tribes, nonprofit groups, and regional organizations, the tools they need to transform brownfields into productive properties that provide targeted economic revitalization through hazardous site remediation. Brownfields grants can be used to fund an array of activities such as brownfields inventories, assessment, cleanup, and reuse planning needed to assist returning properties to valuable community uses. EPA offers multiple types of [brownfields funding opportunities](#) including:

- Community-Wide Assessment Grants
- Coalition Assessment Grants
- Community-Wide Assessment Grants for States and Tribes
- Cleanup Grants
- Multipurpose Grants
- Job Training Grants
- Technical Assistance (Free)
- Revolving Loan Funds (RLF) Grants

Economic Development Districts may have extensive experience managing Brownfields Assessment or Cleanup grants but may not have considered how a Brownfields RLF Grant could be utilized in their region. EDDs can use their existing staff experience with Revolving Loan Funds and community and economic development planning to establish a regional [Brownfields Revolving Loan Fund \(BRLF\)](#).

EDDs can partner with member communities that are eligible and provide low-interest loans and subgrants to support cleanup projects in their region through the Brownfields process. As loans are paid back, the program income generated can then be used for other activities such as assessments, reuse planning, site security measures, and other cleanup activities within the program footprint.

EPA typically offers Brownfields RLF grants of up to \$1,000,000 on a biannual basis with a grant period of up to five years. The next available Brownfields RLF program funding opportunity is anticipated for Fall 2024 (FY2025). EDDs should stay up to date on funding opportunities as they are posted to [EPA's website](#).

A special thanks to Kansas State University's Technical Assistance to Brownfields program for their assistance with this resource and to Naugatuck Valley Council of Governments for providing the cover photo of a Brownfields redevelopment site from their region.

WHY THE REGIONAL MODEL MAKES SENSE FOR BROWNFIELDS RLFs

Regional organizations are an ideal entity for building a regional BRLF program, for the following reasons:

- Member local governments can assist in identifying project goals and potential new land uses for sites, targeting neighborhoods, and proposing redevelopment sites.
- EDDs can operate multiple projects spanning multiple communities across a region, expanding the impact and reach of federal investments.
- EDDs typically have experience operating an EDA-funded, USDA-funded, or SBA-funded RLF and have extensive staff experience administering RLFs as well as connections with the local banking community to underwrite loans.
- EDDs have experienced community and economic development planners that can take regional and local needs and priorities and translate these into proposed redevelopment strategies. Through the Community Involvement Plan structure, EDDs can use their planning experience to find community needs and address them through the program.
- Smaller, underserved local governments may not have the staff capacity to manage a Brownfields grant on their own. Regional organizations managing the program can help these low-resource communities access needed cleanup funding.
- Regional BRLF funds could be leveraged with other funds like a state-managed Brownfields RLF and other grant sources to bring multiple funding options into a project's capital stack for addressing various activities.

BUILDING A REGIONAL BRLF PROGRAM

This section will address some of the main points EDDs should consider when developing a regional BRLF program. For more information on Brownfields grants including full walkthroughs and guidance on applying for a Brownfields grant, visit the [EPA Brownfields website](#) or one of the [Technical Assistance for Brownfields providers](#) organized by EPA Region.



[TAB providers and service areas.](#)

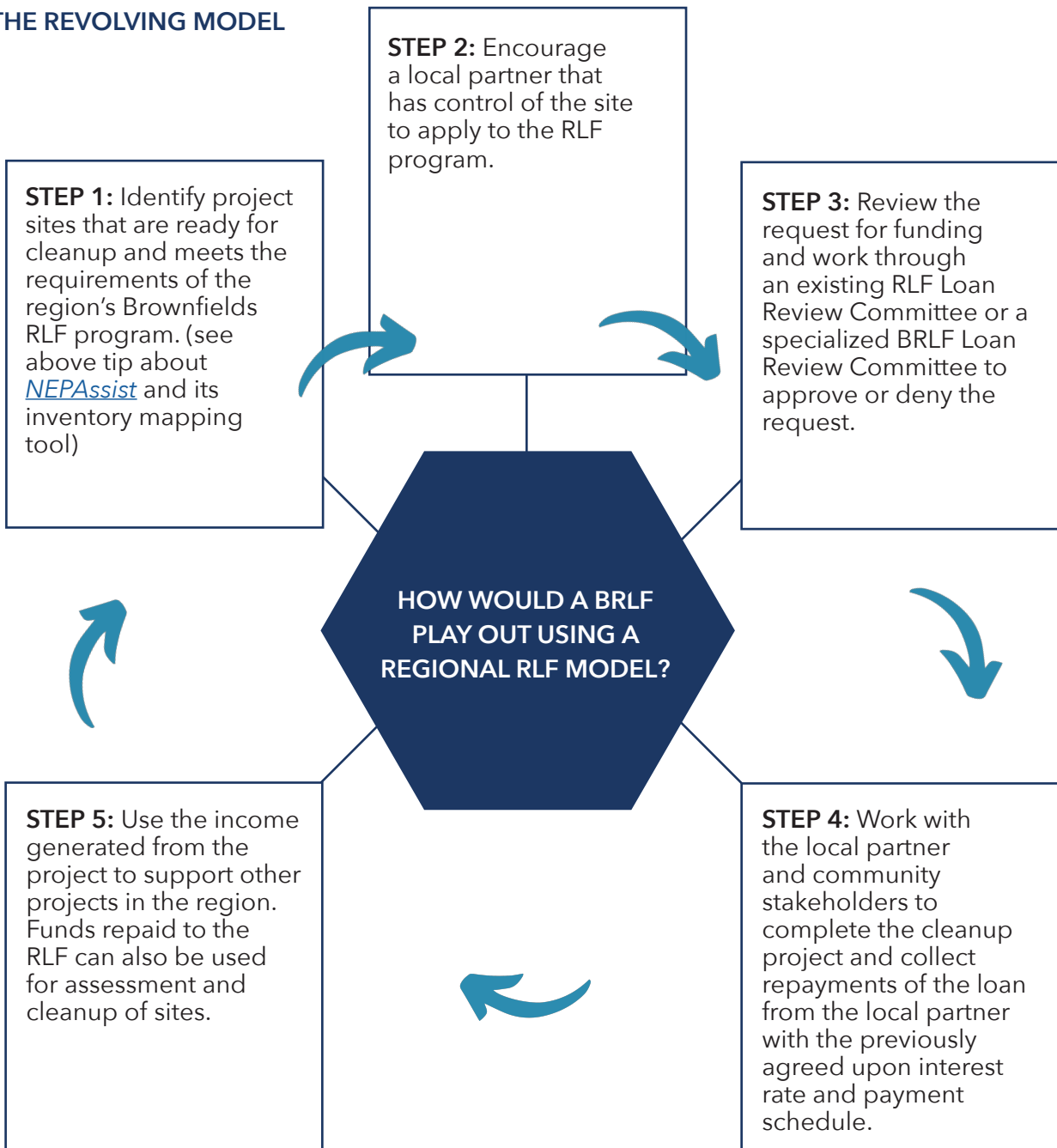
PRIORITY SITE IDENTIFICATION

A regional BRLF program must first identify one or more larger priority sites in the region that are ready for cleanup and redevelopment. Brownfields RLF funds are highly competitive, so it is imperative that EDDs build a list of shovel-ready projects. Sites that already have an [Analysis of Brownfields Cleanup Alternatives](#) are also given high priority in the application phase.

Some things to consider when identifying priority sites include:

- Have previous Brownfields assessments been conducted in the region? Check the [NEPAssist](#) tool and go to your region to identify sites that have had assessments completed but have not been remediated.
- Are there particular parts of the region that are at risk of immediate health problems due to the presence of hazardous materials or contaminants at a particular site?
- Are there parts of the region that have experienced environmental discrimination in past decision-making?
 - *TIP:* Consider using the [CDC Social Vulnerability Index](#) to identify parts of the region with poor social and public health outcomes
- Are there particular sites in the region that are uniquely positioned to induce neighborhood revitalization or other positive economic benefits?
- Are there sites in the region that are close to other economic priority areas like main commercial corridors, Main Streets, or downtowns, that can multiply economic benefits for these areas after redevelopment?
- Are there sites where redevelopment can contribute to placemaking or other quality of life improvements in communities?

THE REVOLVING MODEL



This section provides a simple overview of the necessary steps to complete a Brownfields RLF cleanup project. Each step has many facets that EDDs will need to be aware of in consultation with EPA. Brownfields RLF grants cannot be used for assessment or planning activities. If there are no identified or assessed Brownfields sites in a region, EDDs are encouraged to first complete a Brownfields Assessment Grant where a regional inventory can be built. Program income generated from Brownfields RLF cleanup activities could be used for assessment or planning work at other sites in the program's target area.

PROJECT CRITERIA AND LOAN REVIEW COMMITTEES

EDDs will need to establish project evaluation criteria to determine what projects within their region receive funding. The project criteria should be sourced from the goals of the BRLF program so that each project funded by the BRLF supports the larger program's mission. A regional Brownfields steering committee, or regional stakeholders, can help the EDD determine what outcomes are desired from the program through its community engagement process. Many of these criteria will be developed through the program Work Plan that is submitted to EPA when applying. The Work Plan guides how the program will operate and regions will need to pick outputs and outcomes that will be accomplished from the program's work. For example, if a BRLF program aims to provide funds for affordable housing redevelopment in a certain neighborhood, a criteria checklist would certify that the proposed project is taking place in that neighborhood and judge how many income-restricted units would be built using the program funds. As regions start to loan out funds and complete projects, they should consistently cross-reference outcomes with what they established in the Work Plan.

With an established project criteria in place, EDDs can judge projects against each other and fund projects that have the most community benefits. These funding decisions must be made by a representative body within the EDDs organizational structure. EDDs operating an RLF may already have an RLF Loan Review Committee. These committees may be sufficient in reviewing projects and making funding decisions, however, EDDs should also consider establishing a BRLF-specific loan review committee. EDDs should prioritize selecting individuals who have experience in loan underwriting, real estate transactions, Brownfields Assessment or Cleanup, and adaptive reuse or land reclamation for the BRLF Loan Review Committee.

ASSESSMENT TYPES

Regional organizations should rely on guidance from EPA staff and/or a Qualified Environmental Professional (QEP) to determine what type of assessment is appropriate for any given site. These assessments will typically have to be contracted out by the EDD to a QEP.

- **Phase I Environmental Site Assessment (ESA) also known as an All-Appropriate Inquiries (AAI)** – Typically after identifying a potential brownfields site for redevelopment Phase I Assessments evaluation of the site needs to occur, including review of land use records of the property and government records related to hazardous land uses, interviewing neighbors or past property owners/employees, and visually inspecting the site, amongst others. Phase I Assessments must be conducted by a qualified environmental professional according to ASTM-1527-21 and access to the site is required. The report will conclude on whether any recognized environmental conditions (RECs) were present and if a Phase II is warranted.

- [Phase II ESAs](#) - If RECs were discovered, then the QEP will recommend a Phase II to confirm the presence of contaminants. Phase II can include testing and monitoring of possible contamination, developing cleanup alternatives, and creating remediation plans.

REUSE STRATEGIES AND THE CEDS

The Brownfields process can give regions a new chance to turn hazardous properties into properties that contribute to their local communities, and meet community needs in a variety of ways. EDDs can guide redevelopment priorities by serving in their natural role as regional conveners and consensus builders on community and economic development issues in their region.

EDDs can drive redevelopment priorities that are consistent with goalsetting, action items, and strategies developed by local and regional stakeholders in their regional Comprehensive Economic Development Strategy (CEDs). EDDs should also cross reference reuse strategies and redevelopment priorities with local and state planning that may be relevant to the new intended use of the site to ensure there are no conflicting strategies. Reviewing these plans may also provide an opportunity to bring more partners into the project that can contribute additional funding or expertise on the issue being addressed.

EPA TA AND OTHER RESOURCE PAGES

- [National Brownfields Training Conference 2023 - Session Presentation - Brownfields RLF Solve to Revolve - Answering Your RLF Questions](#)
- [Technical Assistance to Brownfields Communities Providers](#)
- [Inflation Reduction Act Community Change Grants](#)
- [Environmental Justice Thriving Communities Grantmaking Program](#)
- [Environmental Justice Thriving Communities Technical Assistance Centers \(EJ TCTACs\)](#)
- [National Association of Counties: Beautifying Brownfields: An Unexpected Opportunity for Your Coal Community](#)



This guide was prepared by NADO Regional Development Researcher Andrew Coker. (June 2024)

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