

Missouri Department of
Natural Resources
**Brownfields / Voluntary
Cleanup Program**

www.missouribrownfields.com

Catherine Jones

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TODAY'S PRESENTATION

- **Area-Wide and Site Specific Assessments**
- **Voluntary Cleanup Program**
- **Overview of Financial Assistance for Brownfields Cleanup and Redevelopment**



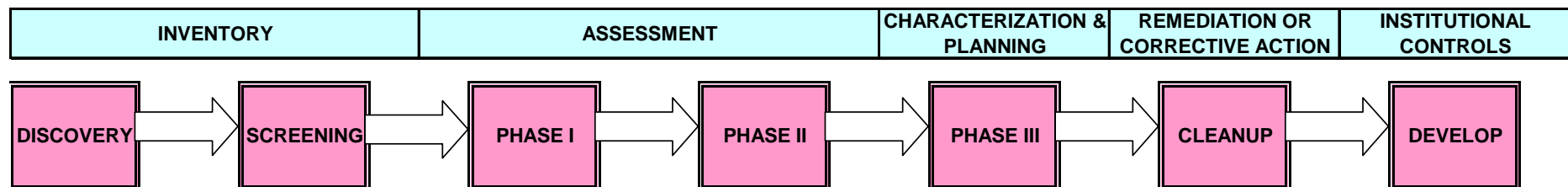
What are the Benefits for Redeveloping Brownfields?



- Create new employment opportunities
- Attract and retain businesses
- Increase local revenue
- Returning properties to tax rolls
- Revitalize declining urban/downtown areas
- Rejuvenating dilapidated areas
- Decrease in urban sprawl
- Preserving undeveloped green space
- Improve public and environmental health

MISSOURI BROWNFIELDS REDEVELOPMENT PROCESS

Where do you begin?



Stages of Redevelopment

- 1. Inventory**
- 2. Assessments Phase I and II**
- 3. Characterization and Planning**
- 4. Remediation or Corrective Action**
- 5. Redevelopment - Institutional Controls**

BROWNFIELD ASSESSMENTS

- **Available to communities and non-profits**
- **Communities can partner with private investor**
- **Provided as a service under a statewide contract**
- **No cost to the recipient**

BROWNFIELD ASSESSMENTS

Similar to EPA Targeted Brownfield Assessments

- **Area-wide inventories**
- **ASTM Phase I
Environmental Assessments**
- **ASTM Phase II
Environmental Assessments**

**Mission: Provide liability relief to facilitate redevelopment AND protect
human health and the environment.**

Where Are The Brownfields?

Find out with an Area
Wide Inventory

- Preliminary Inventory
- Specific Part of Town
- Same eligibility as Phase I and II
- Same cost – Free!
- Get ready for Phase I Assessments



Area Wide Inventory

Focused Inventory

- Gas stations
- Dry cleaners
- Any other specific sites
- Specific area of town

Helps with

- Community Planning
- Funding Discussions



Why Do You Need an Environmental Assessment?

- Acquire contaminated properties through foreclosure for back taxes, land donations, or you own property for sale
- Eliminate some of the risks and liability of ownership
- Provides certainty or answers regarding potential cleanup costs for redevelopment and change of land use.

Phase I Environmental Site Assessment

- History of the property
- Conducted by an experienced Environmental Professional
- Looking for possible environmental contamination (Recognized Environmental Conditions) including an ongoing or a past release, or a material threat of a release
- Hazardous Substances – Petroleum products
 - In the Soil
 - In Groundwater
 - In Structures

Phase I Environmental Site Assessment

If the Phase I assessment report identifies any recognized environmental conditions (REC) then a Phase II assessment may be recommended and conducted.

If Recognized Environmental Conditions are NOT identified - Phase II is not needed

Phase II Environmental Site Assessment

The Phase II assessment will take actual samples from the property to determine which hazardous substances are on the property, if any.

The Phase II will also identify the location of the hazardous substances.

Phase II

Environmental Site Assessment

- Sampling
 - Soil
 - Sediment
 - Ground or surface water
 - Drums or other containers
 - Tanks
 - Building materials (e.g., asbestos and lead paint)
- Analysis of the samples
- Identify Chemicals of Concern
- Monitoring (Air or Water)
- Report

Why Are Assessments Important?

- Determine if contaminants are present and the extent of contamination present at a property
- Provides valuable information that can aid in making decisions regarding the future of the property
- Due Diligence – CERCLA environmental liability
- DNR assessments are designed to meet federal requirements of an All Appropriate Inquiry which gives the purchaser certain liability protections under the federal Superfund Law

Sources for Environmental Site Assessments

- **Missouri DNR – BVCP**
- EPA Targeted Brownfield Assessments
- EPA – Competitive Grants
- Other Grants or Loans
- Private Funds



Why come to DNR/BVCP for your assessments?

- Free for eligible entities
- Easy application process
- Non-Competitive
- Don't have to be the owner
- Frees up funds for other things
- Establish a track record
- DNR Project Manager oversight
- Transition to BVCP



How Do I Get a Free Assessment?

- Eligible entity submits an application
- Property owner signs consent form
- BVCP reviews application for eligibility
- BVCP selects an approved environmental contractor to perform the assessment
- Environmental contractor performs assessment(s) and issues a report

Who Do I Contact?

- **Catherine Jones**
- **Brownfields/Voluntary Cleanup Program**
- **573.526.4725**
- **MissouriBrownfields@dnr.mo.gov**
- **www.MissouriBrownfields.com**

What is the Voluntary Cleanup Program?



BROWNFIELDS/VOLUNTARY CLEANUP PROGRAM

- **Phase I & II discover contamination or if spill occurs**
- **Technical assistance and oversight for investigation and cleanup of contaminated properties**
- **Fee-for-service program**
- **You choose your consultant and the cleanup method**
- **Closure - Certificate of Completion**
- **Missouri Risk-Based Corrective Action (MRBCA)**



Who Enrolls?

Voluntary Cleanup Program

- **Active businesses - to correct problems**
- **Sellers of properties needing cleanup**
- **Buyers of properties needing cleanup**



BVCP ELIGIBILITY EXCEPTIONS

- **Petroleum Storage Tank Insurance Fund (PSTIF) eligible sites**
- **Hazardous material spill sites while still an emergency**
- **Superfund sites that are under consideration for or on the National Priority List**
- **RCRA (Resource Conservation and Recovery Act) Treatment, Storage, and Disposal (TSD) sites**

The application process includes screening by other programs



Working the Site

- Review existing reports
- Comment letters
- Request & approve work plans
- Approve Remedial Action Plan
- Cleanup
- Execute institutional controls
- Certification of Completion (CoC)
- Average of 2 years for CoC (But development can proceed!)



The Benefits of BVCP



BVCP Provides Oversight For Your Cleanup

- **Site assessment, Risk assessment, Risk Management**
- **Risk-based: Not required to cleanup to background**
- **MRBCA: Flexible framework which can be tailored to local needs**
- **Long-Term Stewardship**
- **Redevelopment Can Proceed**

Low Costs

- **Application fee is \$200**
- **Deposit of \$2,000 to \$5,000 (max) required**
- **If client withdraws, deposit balance is refunded**
- **If deposit is exhausted, hourly charge is billed**
- **Charges are for site-specific activities**
- **Average project cost is \$3,500**

Financial Incentives

State assistance programs require BVCP enrollment:

- **Brownfields Remediation State Tax Credits - Missouri Dept. of Economic Development**
- **Revolving Loan Funds - Cleanup Loans and Grants through the Environmental Improvement and Energy Resources Authority (EIERA)**

USEPA Competitive Grants competition values

BVCP enrollment and may require it in the future.

Certificate of Completion – Definitive Closure

- **Protects human health and the environment**
- **Current with state and federal standards**
- **Clarity**

Long-Term Stewardship

- **Environmental covenant according to Missouri Environmental Covenants Act**
 - **Restricted residential, non-residential, non-residential with engineered controls**
 - **No use of groundwater**
 - **No disturbance of soil, disturbance of soil allowed under Soil Management Plan**
 - **Construction restrictions**
- **Covenant filed in chain of title of property**
- **BVCP conducts inspections to make sure restrictions still in place**
- **Monitoring fee: Up to \$15,000**

**BVCP
Project
Managers
Help
In Many
Ways**



Assistance

- **Aid in finding financial assistance and incentives**
- **Aid in finding technical guidance**
- **Help you remain aware of other DNR regulatory requirements and find guidance.**
- **Aid in communications with the various regulatory programs**
- **Make sure paperwork is handled properly**
- **Provide comfort letters**
- **Explain things in layman's terms**

Guidance

- **Objective reviewer on investigation and remediation plans**
- **Explaining and clarifying BVCP rules, policies, and procedures**
- **Review work plans and provide guidance on what is required in final report**
- **Provide guidance for using MRBCA and the flexibility that MRBCA allows**
- **Ensure that the site investigation covers all potentially contaminated areas and environmental conditions**

Guidance

- **Make sure that the investigation and monitoring you're doing will be usable, especially in the MRBCA process and State and Federal requirements**
- **Review reports and make sure you're aware of any errors in data reporting and interpretation**
- **Help with proper implementation of institutional controls**

**Most important way in which BVCP
project managers help:**

**Issuing the Certificate of
Completion!**

Brownfield Redevelopment Assistance Opportunities

- 1. Inventory**
- 2. Assessment**
- 3. Characterization and Planning**
- 4. Remediation or Corrective Action**
- 5. Redevelopment - Institutional Controls**

Assistance Available

1. **Inventory**

Activities at this stage include:

– Discovery and Screening

Assistance available:

A. EPA Brownfields Assessment Grants

B. DNR Site Specific Assessments

A. EPA Brownfields Assessment Grants

Available to:

- local governments
- quasi-governmental agencies
- state agencies

Reimburses grantees for costs associated with:

- Area-wide inventories
- ASTM Phase I Environmental Assessments
- ASTM Phase II Environmental Assessments

No cost to the recipient. - No Match required

National competition - applications usually due in November

Information available at: www.epa.gov/epahome/grants.htm

B. DNR Site Specific Assessments

Available to communities and non-profits

Communities can partner with private investor

Provided as a service - Under a statewide contract

No cost to the recipient

- **Area-wide inventories; with/without emphasis**
- **ASTM Phase I Environmental Assessments**
- **ASTM Phase II Environmental Assessments**

Brownfields/Voluntary Cleanup Program

573.526.8913

MissouriBrownfields@dnr.mo.gov

Assistance Available

2. Assessment

Activities at this stage include:

– Phase 1 and Phase 2

Environmental Assessments

Assistance available:

A. EPA Brownfields Assessment Grants

B. DNR Site Specific Assessments

C. EPA Targeted Brownfields Assessments

C. EPA Targeted Brownfields Assessments

Available to communities and non-profits

Communities can partner with private investor

Provided as a service through a contractor

No cost to the recipient

- **Area-wide inventories; with/without emphasis**
- **ASTM Phase I Environmental Assessments**
- **ASTM Phase II Environmental Assessments**

Todd H. Davis at Region 7

913.551.7749

davis.toddh@epa.gov

Assistance Available

3. **Characterization and Planning**

Activities at this stage include:

- **Phase III Environmental Assessments**

Assistance available:

- A. EPA Brownfields Assessment Grants**
- C. EPA Targeted Brownfields Assessment Grants**
- D. EIERA Loans and Grants**
- E. DNR Water Protection Program**
- F. State Brownfield Tax Credits through DED**

D. EIERA Loans and Grants

Environmental Improvement and Energy Resources Authority (EIERA)

- **Launched March 2006**
- **\$1,000,000 EPA grant funded loan and grant program**
- **Provide low interest loans for cleanup activities**
- **Available to non-responsible party owners**
- **Recipient has to be the owner or pending owner**
- **Up to 40% of fund can be as grants - special conditions**

Kristin Allan-Tipton

573.751.4919

Kristin.Allan.Tipton@dnr.mo.gov

E. DNR Water Protection Program

Provides low interest loans for Brownfields cleanup

Available to communities, businesses, non-profits

Water contamination has to be a threat

There has to be a non-point source

Can cover Phase I & II assessments through cleanup

Up to 20 years terms

No match required

Water Protection Program

573.751.1192

cleanwater@dnr.mo.gov

F. Brownfields State Tax Credits

**Missouri Department of Economic Development
Available to the entity paying the remediation costs.
New job creation of 10+ or job retention of 25+**

**Site has to enroll in the MDNR BVCP
100% of environmental cleanup costs are recoverable
State tax credits are sellable
Can carry forward 20 years**

Mark Pauley

573.751.3600

Mark.Pauley@ded.mo.gov

Assistance Available

4. Remediation or Corrective Action

Activities at this stage include:

- Cleanup

Assistance available:

- D. EIERA Loans and Grants
- E. MDNR Water Protection Program
- F. MODED State Tax Credits
- G. EPA Cleanup Grants**
- H. Federal Tax Deductions**
- I. USDA Rural Development**

G. EPA Cleanup Grants

Available to local governments and non-profits

Not available to responsible parties of contamination

Recipient has to be the owner

Reimburses grantees for environmental cleanup costs

20% match required (award + match = 120%)

National competition - applications due mid-October

Information available at: www.epa.gov/epahome/grants.htm

H. Federal Tax Incentives

- Initially enacted in 1997 and **extended through December 31, 2011**, provides advantages to taxpaying stakeholders conducting environmental cleanup at Brownfields sites
- Allows environmental cleanup costs to be fully deductible in the year incurred, rather than capitalized and spread over a period of years
- Includes sites with petroleum contamination
- Available to tax payers owning the property
- Previously filed tax returns can be amended to include deductions for past cleanup expenditures

Updates are posted at:

www.epa.gov/brownfields/tax/ti_factsheet.pdf

I. U.S. Department of Agriculture Rural Development

Community Facility Grants

Community Facility Direct Loans

Community Facility Guaranteed Loans

Business and Industry (B&I) Guaranteed Loans

To: Rural Public Bodies, Nonprofit corporations

- **Construct, enlarge, extend or otherwise improve essential community facilities**
- **Pollution control and abatement**
- **Site preparation.**

I. U.S. Department of Agriculture - Rural Development

**U.S. Department of Agriculture
Missouri Rural Development
601 Business Loop 70 West
Parkade Center, Suite 235
Columbia, MO 65203-2546
573.876.0976**

www.rurdev.usda.gov/mo/

There are 6 area offices and 22 sub-area offices around the state.

Assistance Available

5. Redevelopment and Institutional Controls

Activities at this stage include:

- Development

Assistance available:

J. State Historic Preservation Office Tax Credits

K. Federal Historic Tax Credits

L. MODED Community Development Block Grants

M. Housing and Urban Development (HUD)

J. State Historic Preservation Office - Tax Credits

**For: Properties listed on the National Register
of Historic Places or contribute to the
significance of a certified historic district**

**Costs must exceed 50% of the acquisition cost
of the property**

Up to 25% of the eligible rehabilitation costs

Kris Zapalac, Ph.D.

314.416.2960 x270

Kristin.Zapalac@dnr.mo.gov

K. Federal Historic Preservation Tax Credits

Began in 1976

20% tax credit

Since that time, the National Park Service (NPS) has administered it in partnership with the Internal Revenue Service (IRS) and with State Historic Preservation Offices (SHPOs).

L. Community Development Block Grants CDBG

Purpose is to develop viable communities by expanding economic opportunities, principally for persons of low- and moderate-income

To: units of general local government that carry out development activities

The State must ensure that at least 70 percent of its CDBG grant funds are used for activities that benefit low- and moderate-income persons over a one-, two-, or three-year time period

www.hud.gov or www.ded.mo.gov

M. U.S. Department of Housing and Urban Development

**For a summary of HUD's major mortgage, grant,
assistance and regulatory programs:**

<http://portal.hud.gov/hudportal/HUD?src=/hudprograms>

Kansas City Regional Office

Phone: (913) 551-5546

Fax: (913) 551-5859

Environmental: Paul Mohr

www.hud.gov/funds/index.cfm

Many other organizations have funds or technical assistance available.

Your project may be eligible for one of these opportunities.

N. Petroleum Storage Tank Insurance Fund (PSTIF)

- **Covers insured and other eligible sites**
- **Both under- and above ground tanks are eligible**
- **\$10,000 deductible**
- **Will pay for up to \$1 million of cleanup costs per incident**

Petroleum Storage Tank Insurance Fund

800.765.2765

www.pstif.org

O. Federal Leaking Underground Storage Tank (UST) Fund

- **Provides for state oversight of petroleum site cleanups**
- **Cleanup cost recovery is possible for sites with no viable responsible party**
- **For high-priority sites with a public threat**
- **Eligibility is for federally defined petroleum USTs**

DNR Tanks Section

573.751.3176

www.dnr.mo.gov/env/hwp/tanks/tanks.htm

P. Drycleaning Environmental Response Trust (DERT) Fund

- **Provides for the investigation, assessment and cleanup of dry-cleaning facility sites**
- **Reimburses costs after \$25,000 deductible**
- **Chlorinated material contamination only**
- **Notification deadline was July 1, 2009**

**Scott Huckstep
573.526.8913
Scott.Huckstep@dnr.mo.gov**

Q. Technical Assistance to Brownfields (TAB)

The Technical Assistance to Brownfields (TAB) program provides training and technical assistance to cities and other groups who are interested in redeveloping Brownfields.

<http://www.engg.ksu.edu/chsr/outreach/tab/>

R. Enterprise Zones

The purpose of Missouri's enterprise zone tax credit program is to facilitate the expansion of new or existing businesses in the state's 66 enterprise zones.

www.missouribusiness.net

S. DNR - Energy Revolving Fund

- **Low-cost loans for energy efficient public buildings**
- **City and county governments and public schools**
- **Pay-back is through energy cost savings**
- **Retrofitting existing buildings**
- **Incremental cost of higher efficiency systems in new buildings**

The MDNR Energy Department

573.751.3443

energy@dnr.mo.gov

T. State Parks Outdoor Recreation Grants

Land and Water Conservation Fund

- **Grants for outdoor recreation projects, \$50,000 cap**
- **City and county governments and public schools**
- **Requires a 55% match**
- **Applications are due in October**

Recreational Trails Program

- **Grants for outdoor trails projects, \$100,000 cap**
- **Requires a 20 to 50% match**
- **Applications are due in February/March**

Missouri Division of State Parks

Chris Buckland

573.751.0848

moparks@dnr.mo.gov

U. Ecological Enhancements

Check out these organizations:

- **Trust for Public Land**
- **Project for Public Spaces**
- **Wildlife Habitat Council**
- **Ducks Unlimited**
- **The Land Trust Alliance**
- **Department of Conservation**
- **U.S. Business Council for Sustainable Development**

V. Utility Companies

Many Utility Companies offer funds for redevelopment. Check with the local utility companies and cooperatives for energy efficiency grants.

Electric

Gas

Water

Telecommunications

W. Insurance Policies

- **Cost Cap**
- **Pollution Legal Liability**
- **Institutional Control**

X. Other Potential Opportunities

- **DNR – Low Income Weatherization**
- **Federal Energy Tax Credits**
- **Work Opportunity Tax Credits (WOTC)**
- **Economic Development Admin. (EDA)**
- **Small Business Administration (SBA)**
- **Federal Emergency Management Agency (FEMA)**
- **Lions, Elks, Moose, Eagles**
- **Masons, Jaycees, Chamber of Commerce**
- **Others – Keep searching!**

Every Little Bit Helps!

RENEWING COMMUNITIES ONE SITE AT A TIME

Catherine Jones

573.526.4725

Catherine.Jones@dnr.mo.gov

- **Conduct workshops**
- **Meet with local government and community groups**
- **Meet with developers and investors**

DNR website: www.dnr.mo.gov

BVCP page: www.missouribrownfields.com