

Mixing & Matching Resources

Sustainable Economic Revitalization
Brownfields Redevelopment Resources
for Your Community

Normal, Illinois - April 11, 2011

for
Sustainable Brownfields Success

Sustainable Brownfields Success
for

“Every Brownfield is a puzzle.”

There Are Lots of Pieces

Not Every Brownfield Uses Every Piece



Loans

- EDA capital for local revolving loan funds
- HUD funds for locally determined CDBG loans and “floats”
- EPA capitalized revolving loan funds
- SBA’s microloans
- 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 Brownfield Economic Development Initiative (BEDI)
- HUD’s Community Development Block Grants (for projects locally determined)
- EPA assessment, cleanup grants
- EDA public works and economic adjustment

- 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

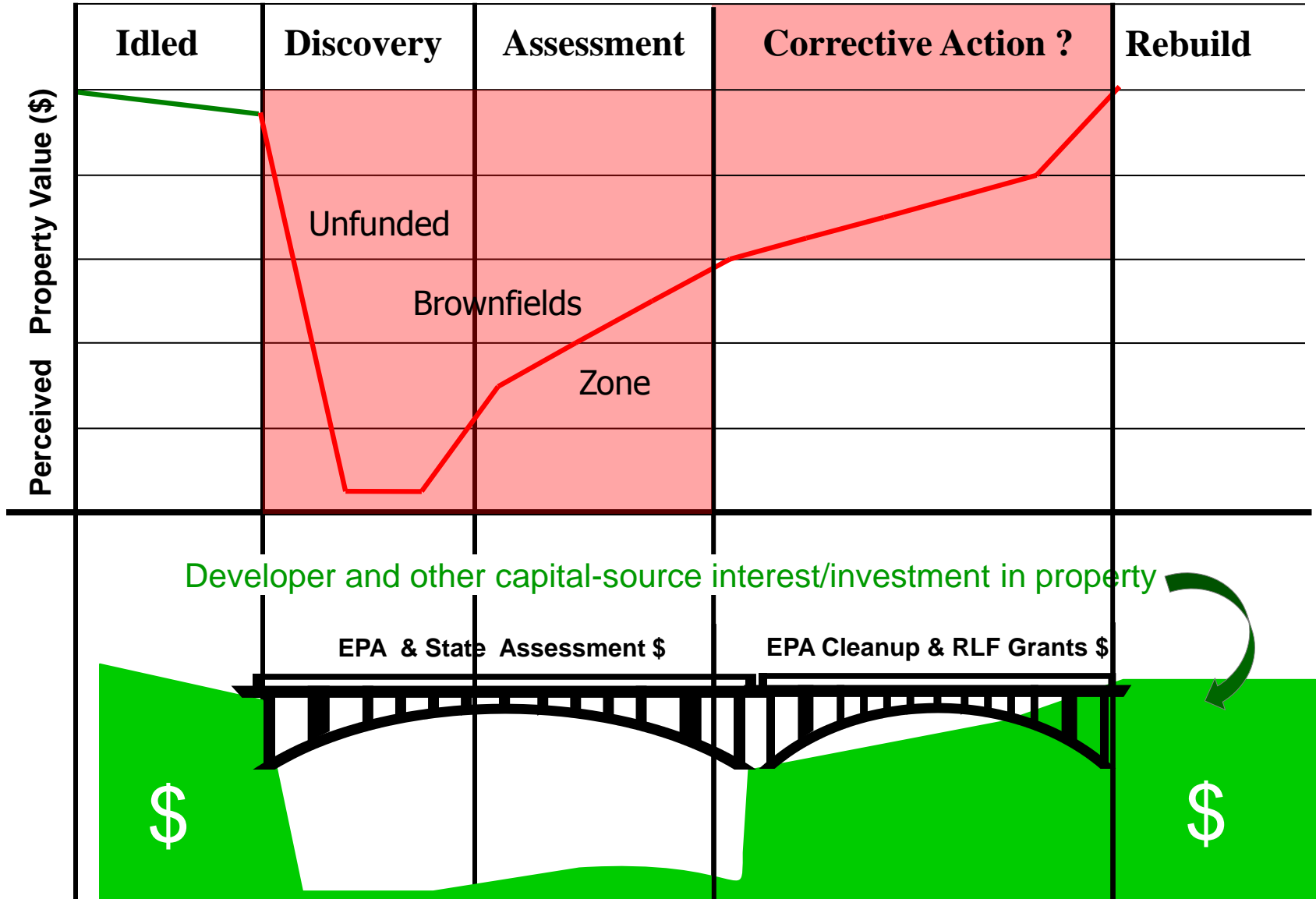
- Targeted expensing of cleanup costs
- Historic rehabilitation tax credits
- Low-income housing tax credits
- Industrial development bonds
- Energy efficiency construction credits

Tax-advantaged zones

- HUD/USDA Empowerment Zones
- HUD/USDA Enterprise Communities



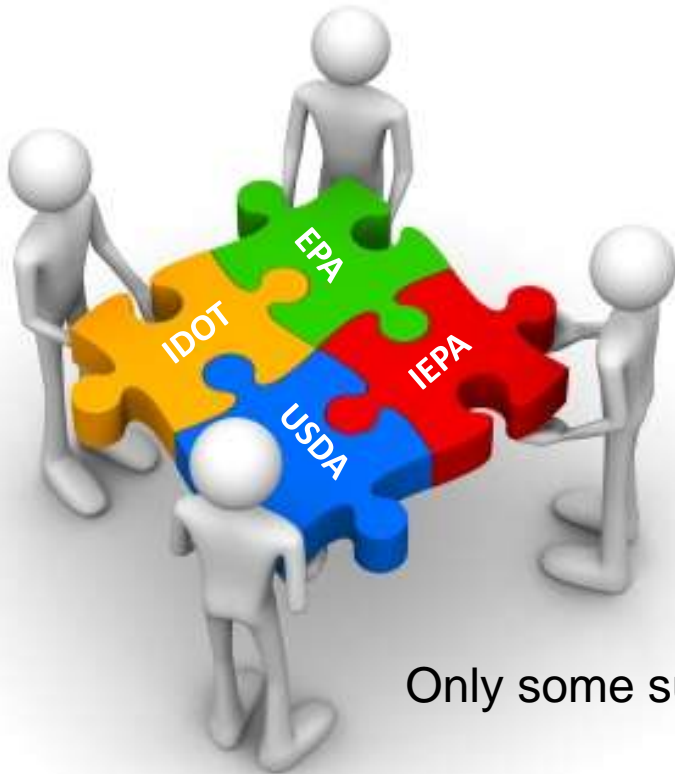
You just saw some EPA and IEPA pieces.
Often essential, but not intended to be the full solution



Where do you start ?



Not all pieces fit together.



Only some support sustainability.

Housing and Urban Development (HUD)

Entitlement and State/Small Cities CDBG Programs

- 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





CDBG Eligible Activities

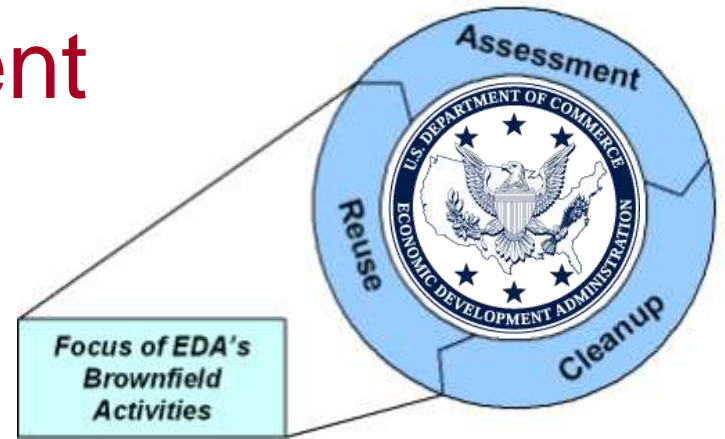
Linking to Brownfield Needs

- 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

Economic Development Administration (EDA)

- EDA typically puts 50%+ of its resources into small/mid-sized towns and rural areas
- Key EDA investment Priorities

- **Collaborative Regional Innovation** - Initiatives that support the development and growth of innovation clusters based on existing regional competitive strengths. Initiatives must engage stakeholders; facilitate collaboration among urban, suburban, and rural (including tribal) areas; provide stability for economic development through long-term intergovernmental and public/private collaboration; and support the growth of existing and emerging industries.
- **Public/Private Partnerships** - Investments that use both public- and private-sector resources and leverage complementary investments by other government/public entities and/or nonprofits.
- **National Strategic Priorities** - Initiatives that encourage job growth and business expansion related to advanced manufacturing; information technology (e.g., broadband, smart grid) infrastructure; communities severely impacted by automotive industry restructuring; urban waters; natural disaster mitigation and resiliency; access to capital for small, medium-sized, and ethnically diverse enterprises; and innovations in science and health care.
- **Global Competitiveness** - Initiatives that support high-growth businesses and innovation-based entrepreneurs to expand and compete in global markets, especially investments that expand U.S. exports, encourage foreign direct investment, and promote the repatriation of jobs back to the U.S.
- **Environmentally-Sustainable Development** - Investments that promote job creation and economic prosperity through projects that enhance environmental quality and develop and implement green products, processes, places, and buildings as part of the green economy. This includes support for energy-efficient green technologies.
- **Economically Distressed and Underserved Communities** - Investments that strengthen diverse communities that have suffered disproportionate economic job losses and/or are rebuilding to become more competitive in the global economy.



EDA Regionally ~80% as Planning Assistance

PROJECT #	GRANTEE	LOCATION	CATEGORY	EDA \$(000)
ILLINOIS				
06830529402	BI-State Regional Comm	Rock Island	Econ Dev District Planning	10
068305630	Blackhawk Hills RC&D	Rock Falls	Econ Dev District Planning	62
06830547201	EDC for Central Illinois	Peoria	Econ Dev District Planning	20
068605531	EDC for Central Illinois	Multi City	Substate Planning	100
068305609	East Central IL EDD	Urbana	Econ Dev District Planning	64
068305604	Greater Egypt RPDC	Carbondale	Econ Dev District Planning	200
06830537801	Greater Wabash RPC	Albion	Econ Dev District Planning	20
06830548001	North Central IL COG	Princeton	Econ Dev District Planning	20
06830528802	South Central IL RPDC	Salem	Econ Dev District Planning	10
06830543701	Southeastern IL RPDC	Harrisburg	Econ Dev District Planning	20
06830536901	Southern Five RPDDC	Ullin	Econ Dev District Planning	20
06830537901	Southwestern IL Metr RPC	Collinsville	Econ Dev District Planning	20
068305641	Two Rivers Reg Cncl PO	Quincy	Econ Dev District Planning	65
06830548101	West Central Dev Council	Carlinville	Econ Dev District Planning	20
068305642	Western IL Reg Cncl	Macomb	Econ Dev District Planning	53
060105633	Benton, City of	Benton	Public Works	1,808
060105579	Pulaski, Village of	Pulaski	Public Works	520
060605605	East Moline, City of	East Moline	Technical Assistance	50
06660531102	Southern IL Edwardsville	Edwardsville	University Center Assistance	159

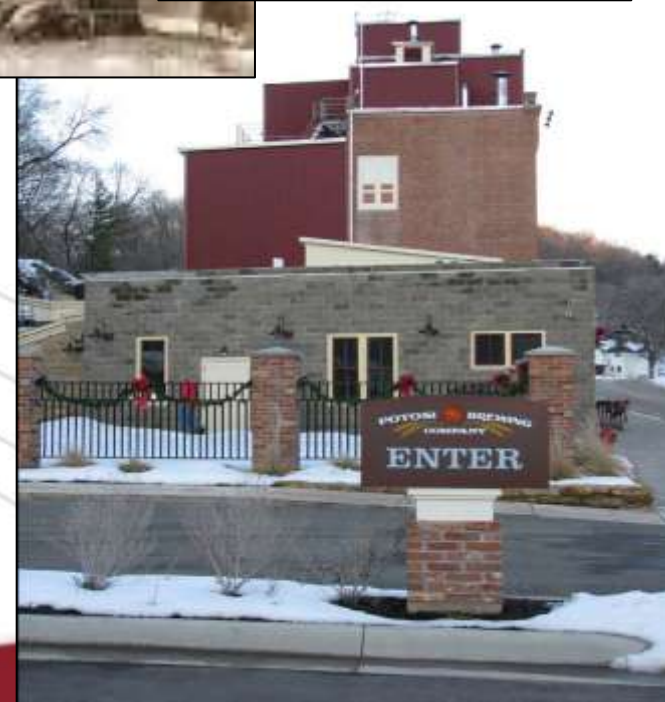
USDA-RD Funds

Supporting Brownfield Redevelopment

- Eligible activities can include:
 - Planning for redevelopment or revitalization – for businesses and community facilities (which could include brownfield projects)
 - Site clearance/preparation, including demolition – key brownfield reuse/redevelopment activities
 - Rehabilitation/improvement of sites or structures – which might need to include removal or remediation of contamination as part of project
 - Construction of real estate improvements
 - Installation of amenities to enhance development

Potosi Brewery, Potosi, WI

- Brewery built 1852 in Potosi (700), abandoned 1972. Asbestos, lead paint, other contaminants
- \$3.3 million guaranteed loan key to securing additional \$4.2 million in financing
- Transformed Potosi's main street; community involvement key
- Result: Refurbished as micro-brewery, brewing museum and library, opened June 2008
- 50 new jobs, 4 new beers



Transportation Programs



- In March 2009, DOT re-affirmed its brownfield policy, you'll hear more this afternoon from IDOT



- Arterial Access Road
The Quarter, East Moline, IL
- Brownfield Funding
 - EPA Pilot Assessment, \$200,000
 - EPA Supplemental Pilot, \$150,000
 - IEPA Brownfield Grant, \$120,000
 - IEPA Brownfield Grant, \$120,000
 - ~\$600,000 Corps of Engineers Public Assistance to States
 - \$3.2MIL DOT roadway grant gave critical gateway access

New Markets Tax Credit



- The New Markets Tax Credit Program (NMTC Program) established in 2000 to drive investment in low-income communities
 - Individual and corporate federal tax credit against for equity investments in Community Development Entities (CDEs)
 - 39% of investment amount claimed over seven years (5% first three years, 6% each remaining)
 - Competitive 2011 applications up 26%, highest ever
 - From 44 states and D.C.
 - To date 594 awards totaling \$29.5 billion in tax credit allocation

Avenue of the Arts, Grand Rapids, MI



- Arts-related mixed-use redevelopment project in an area largely abandoned since the 1950's
- Martineau Division-Oakes, 12,000-square-foot commercial space is occupied by the art department of Calvin College and a café
- 23 spaces for artists to live and work
- Once the project got off the ground, the city committed \$2 million improvements in the development's neighborhood.

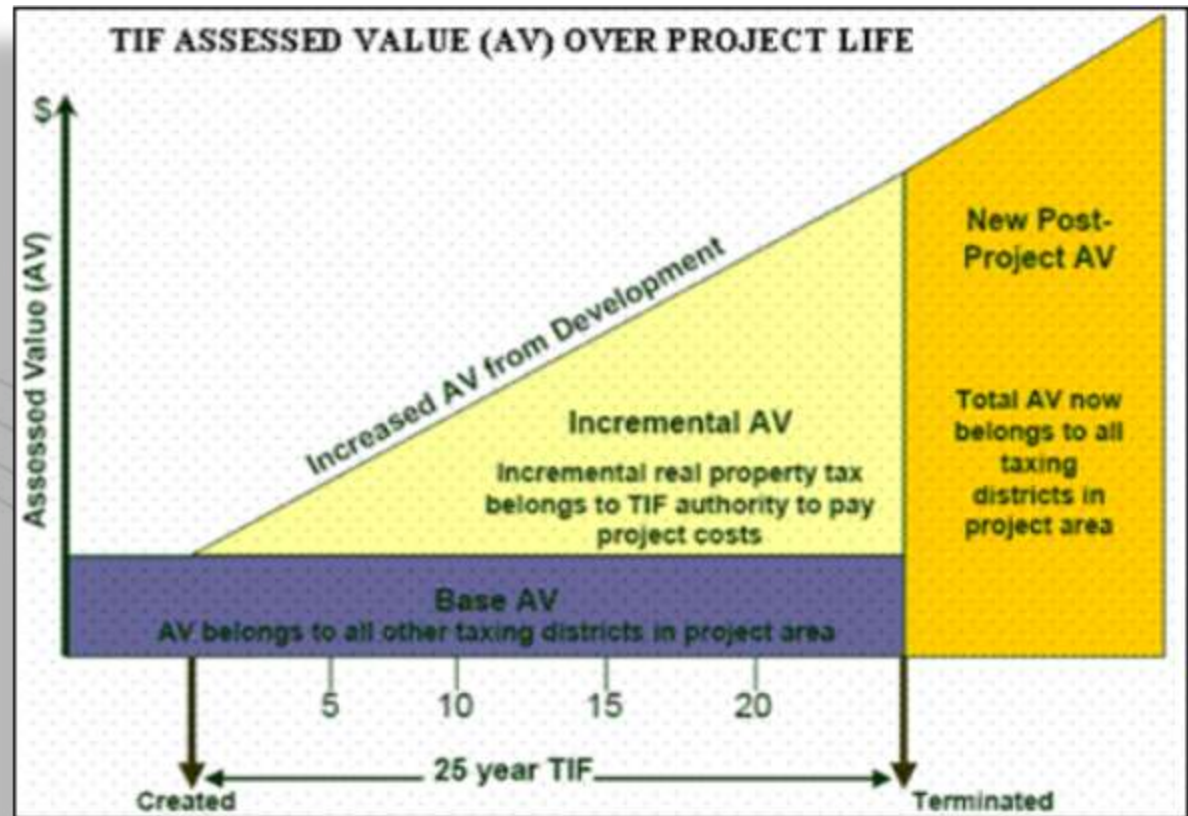
Key Elements;

- CDFI Hot Zone
 - 52% poverty rate
 - Family income 50% of area median income
- SBA Hub Zone
- NMTC \$8.7 million
- 40 construction jobs, 21 permanent jobs

Tax Increment Financing

A Common, Local Initiative

- Uses the anticipated growth in property taxes generated by a development to finance it
- Common local financing tool supporting brownfield cleanup and reuse



Tax Forgiveness

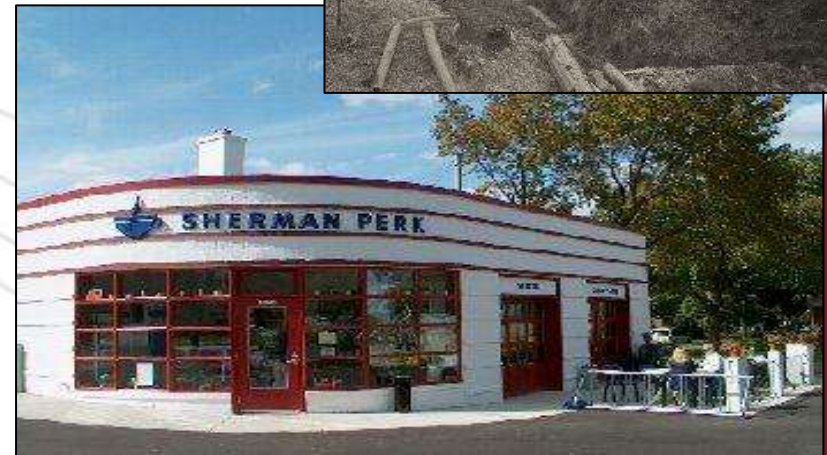
A Local Initiative



- Authorizes local governments to forgive back taxes on delinquent properties
- In a brownfield context, these new tax forgiveness programs typically:
 - Are linked to new owners or prospective purchasers
 - Require agreement to clean up and reuse site
 - Require purchaser to enter state VCP

Sherman Perk, Wisconsin

- Abandoned gas station closed since 1989, petroleum issues
- Issues of financing/ addressing cost of petroleum contamination; 9 years tax delinquency
- Financing included state forgiveness of back taxes linked to VCP participation, rehabilitation tax credits
- Result -- reuse of historically significant building as successful neighborhood retail anchor



Sherman Perk, Wisconsin

- Joins neighborhoods on both opposite sides of the boulevard

- “The day it opened, my wife and I met a couple from 3 blocks over (the boulevard) we had never met ... we had both lived here for 20 years. See them once a week now and now them well”.
- “It was a dump waiting for a mugging, I voted to tear it down ... was I ever wrong. I gave them that sign on the wall”.





SHERMAN PERK



Of course, success may not improve the quality of the clientele ...



- What can small cities really do?
- During Recession most cities glad to have any tax-paying construction, sustainable or not
- Here is a small city less than 3 hours from Normal, Illinois who as been solving the sustainable reconstruction puzzle
- Often with concepts borrowed from EPA Region 5



Breaking the “Brownfield Cycle”

- Engaging youth to foster the concept of Brownfields as positive, sustainable re-development that will not simply perpetuate historical cycles of “build-and-abandon”
- Engaged students in elementary and middle schools both in and out of the classroom, using the Iowa River Landing as a changing field laboratory experience



Celebrating World Town Planning Day:
Brownfields is Recycling Land

November 8, 2010
Youth Engagement & Field Trip
City of Coralville Brownfields Program



Active Engagement At Multiple Levels



- Engaging young adults to bring positive near-future Brownfield changes
 - Vocationally, as they train for the working world
 - Politically, as voters having entered into the world of individual social responsibility
 - Personally, as parents passing on their own future environmental legacy





Then Visibly Act as a Community Remove, Recycle

- Sustainability as a practice, not just a concept, early in the IRL
- Concrete and asphalt streets, pavements, curbs and parking
- Recycled 40,000 cubic yards; salvaged, crushed and reused as part of sustainable reconstruction
- ~\$4.5 MIL in demolition/disposal cost savings





Disassembled, Recycled Old Structures



4 complete buildings taken off site and re-assembled/recycled



Leveraged Cleanups / Responsible Parties

Understand where EPA money stops – polluters pay.

IRL leveraged \$1.5MIL from responsible parties as direct cleanup or transfer of environmental insurance benefits.

- \$240,000 CRANDIC coal storage/railyard restoration
- \$900,000 Hawk-I Truck Stop transferable insurance



After \$240,000 cleanup of CRANDIC coal storage /railyard area for greenspace



Iowa River Landing Wetlands Park



The Iowa River Landing Wetlands Park, part of the former Coral Ridge Industrial Park brownfield zone, now a 2-acre pond surrounded by 5 acres of wetlands. This public park features three distinct types of wetlands: emergent, forested, and wet meadow. Wetlands park worksheets can be used with the park's interpretive signage to provide visitors with an educational wetlands experience. A series of elevated walkways ring the pond and traverse the wetlands on the east side of the Coralville Marriott Hotel and Conference Center, and a viewing tower serves as an observation point. A limestone outcropping with a cascading waterfall is located at the north end of the pond.



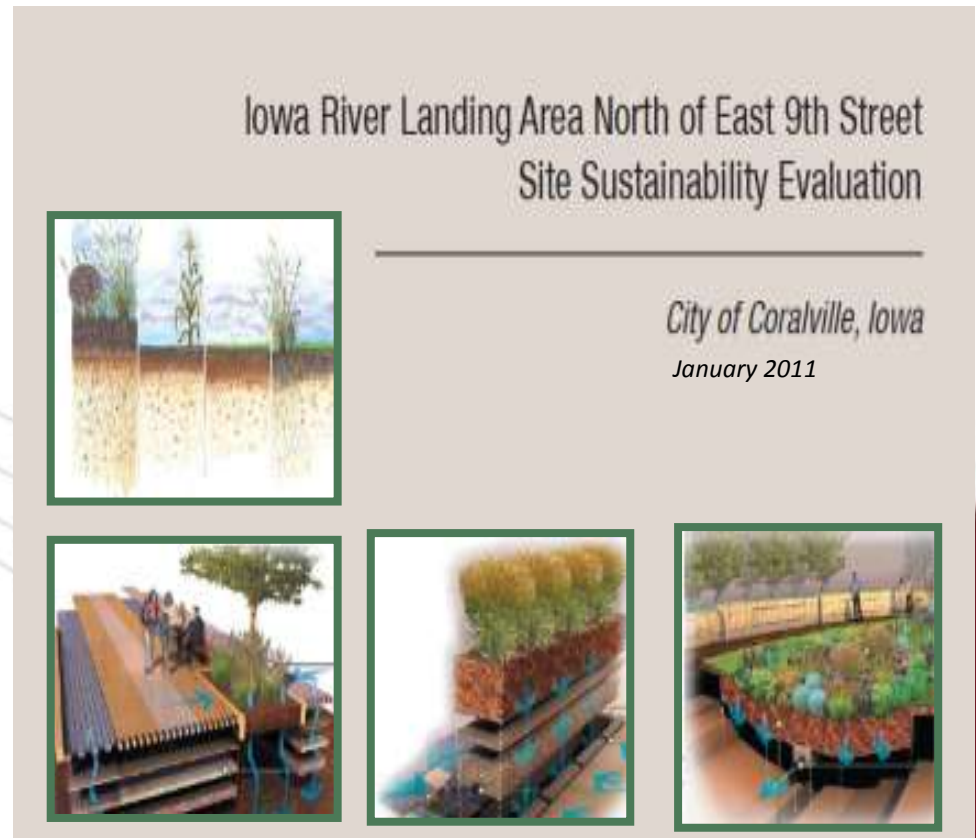
Advancing Concept to a Different “Green”

\$4.3 million State Revolving Fund (SRF) Clean Water Loan

- For sustainable IRL infrastructure
- 30% forgivable loan,
- 70% of loan at 3% interest
- Design/contract administration items are eligible

2011 IRL public improvements:

- \$5.188 million bid with \$978k SRF eligible
- Media plan and EPA assessment data showed a managed process for making the green infrastructure improve water quality
- City required extended elements of new developers





Not Above A Little Child Labor

Get Wet 'n' Muddy Days

7th Grade Wetland and Iowa River Watershed education and aquatic species plantings





Re-purposed Pedestrian/Trail Connector Trails Funding and Grants





Social Equity

Parks & Recreation Grants and Funding

2003



- Coralville sought equitable redevelopment, offsetting loss of small community recreational facilities at the old Edgewater softball fields subject to seasonal flooding and poor drainage.
- Expanded modern facilities outside the floodplain opened as the Coralville Youth Sports Park in summer 2010, includes:
 - Three full-size soccer fields that convert to six adult flag football fields, or convert to nine youth soccer fields
 - Five multi-purpose ball fields with skinned infields accommodate baseball play for children up to 12 years of age and softball play through high school, with 250-foot fences.
 - Along with high quality fields, amenities include;
 - Shakopee clay infields, irrigated fields with perimeter drainage
 - Paved, level walkways to fields and neighborhoods
 - Kattchee Pavilion; 4,300 square foot shade structure with restrooms, concessions, and seating area
 - Centralized parking

2010





Neighborhood-Level Sustainability

Speaking to community-driven solutions



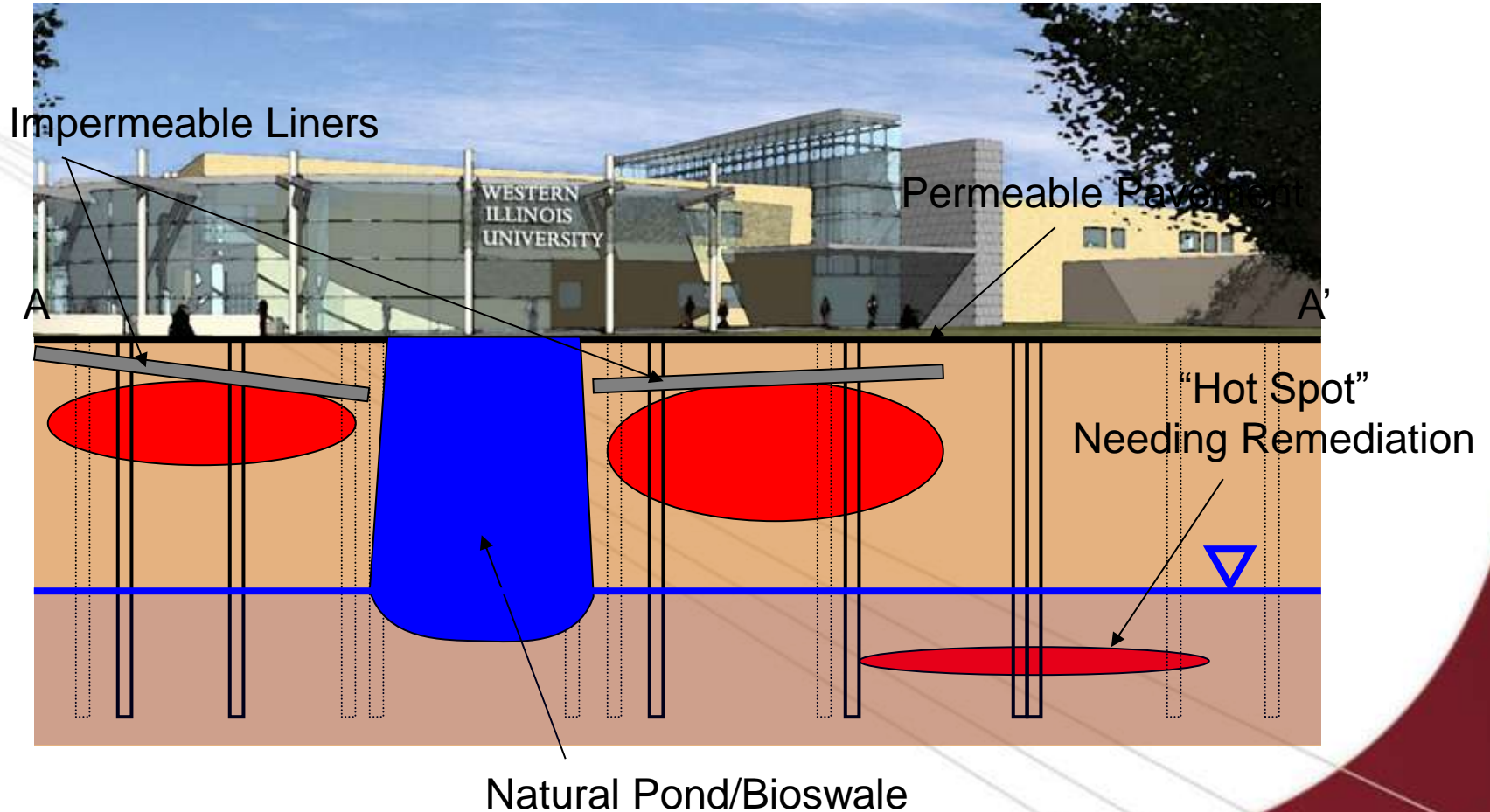
10th Street Gardens City Brownfields Zone 5

- 2012-2013 with new Coralville Transit and Parks Maintenance Facility.
- Community Input Survey early 2012 to “create a garden that best meets the needs of Coralville residents”.
- Site preparation includes soil preparation, water piped in or as harvested rainwater depending on community concerns.
- Farmer’s Market ...



Something borrowed ...

Building on a concept from Illinois & EPA Region 5





Gone But Not Forgotten

How do you recycle the interest of developers after having highlighted during multiple construction projects to “prevent or limit human or natural resource exposure” to residual contaminants ?



Media Management Plan for Iowa River Landing (Revised)

Coraville, Iowa

April 24, 2011

EPA Brownfields Assessment

Petroleum & Hazardous Substances

Task 4: Cleanup Planning

EPA #BF-0076151-C/0F-0076201-0

Terracon Project No. 30027004

Prepared for:

City of Coraville

Coraville, Iowa

Prepared by:

Terracon Consultants, Inc.

Cedar Rapids, Iowa

20144 Northside, Suite 100
Terracon (Iowa) | terracon.com

Terracon

Geotechnical • Environmental • Construction Materials • Facilities

Brownfields Should Help Direct Revitalization, Not Inhibit

- +\$190,000,000 additional investment in subsequent Iowa River Landing phases, including expanded green infrastructure, subject to City stewardship and sustainability process and documents from 2010 through 2013
- Historically, environmental assessment reports told developers what they could not do, stewardship directs developers as to what they can do



2012-13: Homewood Suites Rising Sustainably from Brownfields



In keeping with the Iow River Landing's mission of sustainability, Homewood Suites include;

- on-site recycling,
- energy efficient lighting
- water conservation programs
- no disposables for meal service
- biodegradable/eco-friendly coffee cups,
- high-efficiency programmable PTAC heating/cooling
- permeable parking/paving
- "green" streetscaping and stormwater controls



River Bend Live/Work Units

New Market & Housing Tax Credits





River Bend Condominium Units

Retail Housing Targeted at Senior Citizens



“We love living here. Besides things to do, we love watching the Landing evolve from our condo rooftop.”

- 2012 Outreach Day Participant

Moved To Physical Green Infrastructure



**Stormwater Control
As Water Amenities**



Green Roofing



**Stormwater
Streetscape Planters**



**Wetlands &
Stormwater Retention**



Floodable Structures



**Bioswales &
Vegetative Plantings**



Pervious Pavements



Not Potosi, Not USDA

But that's "OK", Community Connections & Jobs



Backpocket Brewing Company

- 15,000 square foot brewery/restaurant, 25,000 barrel capacity, St. Louis-based Schlafly Beer has contracted 50% of capacity, LEED™ elements of construction
- \$5.3 million facility completed June 2012, on-site brewing commences July.
- TIF Challenge; \$448,000 annual rental, 56-year lease, 3 year purchase option of City property





Bringing Brownfields Bricks and Mortar

Redevelopment Tax Credit Support

- Not preparing them with EPA Funds, but to have the assessment data publicly accessible and clearly organized for reuse
- City supporting Brownfields definition as assessment cleanup planning
- 12% of the taxpayer's qualifying investment in a Grayfield site
- 24% of the taxpayer's qualifying investment in a Brownfield site
- Up to a maximum tax credit of \$500,000 per Brownfield project site

IOWA

Debi V. Durham, Director
Iowa Economic Development Authority

FY2012
Brownfield/Grayfield
Redevelopment Tax Credit
Application

Business Development Division
Iowa Economic Development Authority

Completed and signed copies form with attachments should be sent to:

Mail: Iowa Economic Development Authority
ATTN: Matt Rasmussen
200 East Grand Avenue
Des Moines, Iowa 50309
Fax: 515.725.2010

Questions? Need assistance? Contact Matt Rasmussen, Program Manager at 515.725.2125 or matt.rasmussen@iowadevelopment.gov

1/16/12 0112



Real 2013+ Revitalization



Credits	Construction
\$434,000	\$2,300,000
\$500,000	\$5,000,000
\$420,000	\$2,500,000
<u>\$500,000</u>	<u>\$25,000,000</u>
\$1,810,000	\$34,800,000

**EPA Assessment & Cleanup Planning
1999 to 2010, 4 Properties
~\$105,000**

**EPA Leverage for Revitalization
1 : 331**





the
**SUSTAINABILITY
PUZZLE**

A Decade-Plus of a Small City Solving the Puzzle

\$313 MIL Private/Public Construction

\$70MIL Conference
Center and Hotel Complex

\$40 MIL property acquisition
and demolition

\$18 MIL IRL infrastructure
improvements, including \$4MIL of
sustainable infrastructure

\$12 MIL live-work housing &
commercial development

\$6 MIL Backpacket Brewing (July 2012)

\$11 MIL Parking Garage with electric-car charging
stations, green roof and LED lighting (September 2012)

\$73 MIL University of Iowa Ambulatory Care (October 2012)

\$22 MIL Homewood Suites Extended Stay (October 2012/3)

\$10 MIL Von Maur retail center (December 2012/3)

\$25 MIL Regional LEED™ Transit Facility (in planning)

\$25 MIL I-80 Interchange Improvements (in design/funding)

\$70 MIL 2nd Ambulatory Care Clinic (2015)





the
**SUSTAINABILITY
PUZZLE**

Partnerships Key to the Puzzle

- **USEPA Brownfields Pilots & Grants**
\$2,890,000
(\$1MIL RLF Returned For Others To Use)
- **U.S. Army Corps of Engineers,** \$412,000
- **FEMA,** \$620,000
- **Iowa Dept. of Transportation,** \$1,153,400
- **U.S. DOT Bus Livability Program,**
\$4,000,000
- **Iowa Dept. of Natural Resources,** \$950,000
- **Federal Highway Administration,**
\$1,000,000
- **Iowa Dept. of Economic Development,**
\$850,000
- **Responsible Party-Leveraged Cleanups,**
\$1,500,000
- **CDBG / HUD Flood Pumping Stations,**
\$7,900,000
- **I-Jobs Stormwater Control Features,**
\$2,300,000
- **Iowa Brownfield/Grayfield Remediation Tax Credits** by Developers (\$500,000 FY12 maximum per site)



Student, Professional
and Contractor in-kind
labor to “help the
kids” ?

\$40,000

Building dozens of
pro-Brownfield citizens
annually to help solve
the puzzle ?

PRICELESS



QUESTION & ANSWER