

# Virginia First Cities



introduces Meade Anderson as  
presenter for today's Webinar

Virginia Brownfields Restoration  
and Economic Redevelopment  
Assistance Fund  
FY2017

Virginia First Cities

Webinar

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# Brownfields – the definition

- "Brownfield" means real property; the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.



# § 10.1-1231. BROWNFIELD RESTORATION AND LAND RENEWAL POLICY AND PROGRAMS

“It shall be the **policy** of the **Commonwealth** to **encourage remediation and restoration of brownfields by removing barriers and providing incentives and assistance whenever possible**. The Department of Environmental Quality and the Economic Development Partnership and other appropriate agencies shall establish policies and programs to implement these policies, including a Voluntary Remediation Program, the **Brownfields Restoration and Redevelopment Fund**, and other measures as may be appropriate.”

# Brownfields Restoration Fund

- Section 10.1-1237 of the Code of Virginia
- Legislation passed in 2002
- Promoting the restoration and redevelopment of brownfield sites
- Address environmental problems or obstacles to reuse
- Expected to be grants
- Counties, cities, towns, industrial/economic development authorities and redevelopment and housing authorities are eligible
- Focused on addressing environmental issues so sites can be effectively revitalized
- Economic redevelopment potential to play a significant role for selection

# **Brownfields Restoration Fund**

## **FY2017**

### **The money, the match, & the schedule**

- Capitalized with \$2,250,000 for FY2017 and the same for FY2018
- Assessment & Planning Grants: maximum \$50,000
- Site Remediation Grants: maximum \$500,000
- Required 1 to 1 match
- Assessment grant application accepted in ongoing basis
- Remediation Grant applications due October 1, 2016
- Remediation Grant awards announced on November 1, 2016
- Performance Agreements will specify completion dates
- Large grants will require enrollment into the VRP unless site meets exceptions

# Outline of Topics

- Eligible Applicants
- Eligible Properties
- Eligible Use of Funds
- Local Match & Allowable Costs
- Fund Access (when you get the money)
- Funding Priorities
- Application Procedures & Timetable (deadlines)
- Contract Obligations
- Reporting
- Tips & Recommendations

# Eligible Applicants

- Only political subdivisions, including counties, cities, towns, industrial/economic development authorities and redevelopment and housing authorities, may apply for VBAF grants (Applicants)

# Eligible Properties

- Targeted toward projects or phases of work that can be completed
- Targeted toward projects that show “potential for redevelopment of the site”
- Demolition is de-emphasized
- Mitigating environmental hazards such as lead paint and asbestos associated with demo will be considered
- Demolition activities should be directed to the VDHCD for potential funding under the Industrial Revitalization Fund/Derelict Structures Fund
- Property can be privately owned during pre-acquisition studies (ie Phase I & Phase II Environmental Site Assessments and additional characterization)
- Property must be under public ownership for actual cleanup/remediation funding (ie removing contaminated soil, etc) or privately owned as long as the property has public or private redevelopment potential with an option agreement or some other documentation between the applicant and the private owner of a commitment by the private owner to a competitive sale price, to permit access for site assessment, remediation, and marketing, and to market the property for economic development purposes. Such agreement or other documentation will cause the application to be considered more favorably.

# Eligible Uses of Funds

- **Environmental and cultural resource site assessments**
- **Remediation of a contaminated property to remove hazardous substances, hazardous wastes, or solid wastes**
- Necessary removal of human remains, the appropriate treatment of grave sites, and the appropriate and necessary treatment of significant archaeological resources, or the stabilization or restoration of structures listed on or eligible for the Virginia Historic Landmarks Register
- Demolition and removal of existing structures, or other site work necessary to make a site or certain real property usable for new economic development
- **Development of a remediation and reuse plan**
- VBAF grant proceeds may only be used for expenses contemplated by the scope of work

# Single Site or Multiple Properties

- Single “site”
- Can be focused toward multiple properties, if there is a linkage among properties
- Target key properties with economic redevelopment potential
- Single application
- Award remains capped at \$50,000 and \$500,000 depending upon the category

# Local Match : Local Responsibility

- Applicants are required to provide a local match of at least 100 percent
- Private or public sources
- Higher local match will cause the application to be considered more favorably
- It is the preference that a Local Match not have been paid or incurred any more than five years prior to the date of an application

# Match : Allowable Costs

- Must be associated with the work being done with the grant proceeds
- Environmental and cultural resource site assessments
- Remediation of a contaminated property to remove hazardous substances, hazardous wastes, or solid wastes
- The necessary removal of human remains, the appropriate treatment of grave sites, and the appropriate and necessary treatment of significant archaeological resources, or the stabilization or restoration of structures listed on or eligible for the Virginia Historic Landmarks Register
- Demolition and removal of existing structures, or other site work necessary to make a site or certain real property usable for new economic development
- Development of a remediation and reuse plan
- Engineering
- Design or architectural activities as well as other costs such as public notices, permit fees and inspections costs
- Other costs associated with implementation of a remediation and reuse plan

# Match : Allowable Costs (continued)

- Environmental testing and costs associated with the purchase of the property may also be used for the match
- Local match may include federal (including EPA Brownfields Grant), local or private funds
- Applicant may count all such costs spent over previous 5 years, on activities related to the targeted project.
- If match is to be spent concurrently with grant work please let us know

# Administrative Costs

- Recipients may use up to three percent (3%) of the VBAF grant proceeds to cover out-of-pocket administrative costs
- Recipients may use as local match an additional five percent (5%) to cover such administrative costs

# Fund Access – Site Assessment & Planning Grant

- Performance agreement between VEDP and the Recipient outlining end products, conditions, fund disbursement and termination must be executed
- VBAF Site Assessment and Planning Grant will be paid upon execution and delivery of the performance agreement
- Additional grant disbursement, in an amount up to 20% of the original grant, can be made if needed to complete a cleanup or remediation
- Performance Agreement must be executed within 60 days of development

# Fund Access – Remediation Grants

- Performance agreement between VEDP and the Recipient outlining end products, conditions, fund disbursement and termination must be executed
- VBAF Remediation Grant will be paid 50% upon execution and delivery of the performance agreement and 50% when a project report is filed indicating the project or phase of work is complete
- Additional grant disbursement, in an amount up to 20% of the original grant, can be requested to complete a cleanup or remediation up to a maximum of no greater than \$500,000 and award of these funds are based on a case by case decision & availability
- Performance Agreement must be executed within 60 days of award

# Program Funding Priorities

- Use or reuse of existing infrastructure
- Limited ability to draw on other funding sources
- The potential for redevelopment of the site
- The economic and environmental benefits
- Confirming, characterizing, & remediating the extent of the perceived or real environmental contamination
- Selection of a site which is “ready” to utilize the funds (ex: plans in place, costs)
- Project can be finished or a significant phase of work can be completed

# Application Timetable

- Assessment grants to be accepted in on-going basis
- Remediation grant applications due October 1, 2016
- Selected applicants will be announced on November 1, 2016, assessment grants announced as they are awarded
- Performance agreements will be negotiated and once finalized must be signed within 60 days of award
- 50% of funds of each grant expected to be paid at that time and 50% of remainder at time of report submission
- If all remediation grant funds (\$1.5M) are not expended at the time of the initial round a second round will be held with a due date of March 1, 2017

# Contractual Obligations

- All performance agreements are subject to negotiation with VEDP
- The performance agreements will outline completion dates for projects
- Any Recipient that does not use all of its designated funds by project completion will, to the extent applicable, be asked to repay disbursed funds that have not been used and/or will lose the remaining fund balance
- Changes to the scope of work identified after a performance agreement has been signed will be permitted if authorized by VEDP, in consultation with DEQ

# Application Procedures

## Site Assessment & Planning Grants

- The application shall consist of the FY 2016 Virginia Brownfields Assistance Fund form, and any associated documentation for the proposed project
- Submit on a rolling basis
- **Brevity is considered a virtue** – Please be concise yet well documented
- Prefer that application materials be sent electronically
- Execute performance agreement within 60 days of award

# Application Procedures

## Remediation Grants

- The application shall consist of the FY 2016 Virginia Brownfields Assistance Fund form, and any associated documentation for the proposed project
- Completed applications are due on October 1, 2016
- **Brevity is considered a virtue** – Please be concise yet well documented
- Prefer that application materials be sent electronically
- Execute performance agreement within 60 days of award

# Application

- Attached to the end of the Guidance
- Again: **Brevity is considered a virtue**
- Capped length of response (however we will not be counting words...)
- We are hoping for the application to provide a snapshot of the **site, the environmental conditions, economic benefits/low income of a community, potential for redevelopment, existing infrastructure, environmental conditions, proposed work, schedule, match, budget**, and whether the site is/may be enrolled in the VRP
- We strongly encourage the use of site plans, maps, plats, and pictures to tell the story
- Application materials must be received no later than October 1, 2016 (Remediation Grants)

# Application Submission

VEDP and DEQ strongly prefer that application materials be sent electronically

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# Guidelines and Information

- <http://www.virginiaallies.org>
- <http://www.virginiaallies.org/assets/files/BrownfieldFundGuidelines.pdf>
- <http://www.deq.virginia.gov/brownfieldweb/homepage.html>

# VBAF Purpose

- The purpose of the fund is for promoting the restoration and redevelopment of brownfield sites and to address environmental problems and/or obstacles to reuse so that these sites can be effectively marketed to new economic development prospects.
- Use the fund to identify environmental contamination and mitigate/remediate environmental issues impeding redevelopment and revitalization of the property.

# Win / Win for All

- The funding is used as the catalyst for completing a sale/purchase of property by public or private organization
- Helps complete characterization or cleanup leading to redevelopment of the property
- Targeted focus area moves forward with revitalization
- Site with existing infrastructure revitalized

# Reporting and Data Requirements

- Please refer to Page 8 of the Guidelines
- Technical work should follow either ASTM standards or those typical of data quality for Virginia's Voluntary Remediation Program
- Remediation grant sites will be required to enroll into the VRP unless exceptions are met as discussed
- All tests, analyses, measurements, or monitoring required pursuant to the Commonwealth's air, waste, and water laws and regulations must be certified or accredited by the Virginia Division of Consolidated Laboratory Services (DCLS) Virginia Environmental Laboratory Accreditation Program (VELAP)
- Reporting format is flexible depending upon work completed
- Brief e-mail describing progress to date
- We want stories and metrics

# Tips & Recommendations

## Part 1

- Complete Phase I investigations in accordance with the ASTM E1527-13 standard
- Complete Phase II investigation & sampling in accordance with the ASTM E 1903-11 standard
- Do not purchase some else's problem without fully knowing that is on the property
- Take into account environmental impediments into the purchase price
- If your consultant tells you a 50 to 100 year old industrial site doesn't have contamination, that might be too good to be true

# Tips & Recommendations

## Part 2

- Brownfields Fund is not the demolition fund however removal of environmental impediments such as asbestos or contaminated soil during demolition or construction is an effective management tool
- Environmental cleanup will require enrollment into VRP except as discussed
- Apply for amount funds that can realistically be used during the performance period
- Select a site which can be managed or cleaned up expeditiously or a phase of work to be completed which can allow for revitalization to occur

# Technical Support

- We strongly recommend engaging a consultant well versed in brownfields redevelopment
- If the property is to be enrolled in the VRP we strongly suggest a consultant who has managed or completed VRP sites
- As part of our “brownfields mission” we are more than happy to provide technical support for brownfields & VRP questions but our time is limited and we cannot perform as project managers

# Application “Must Haves”

- A brownfield site (of course)
- Real or perceived environmental contamination
- An economic redevelopment component
- An understanding the VEDP/DEQ team will have some hard decisions to make in review of the remediation grant applications

# Evaluating Remediation Grant Applications

- Clear relationship to a local or regional economic development **STRATEGY**.
- High degree of **BLIGHT** and deterioration to be addressed.
- Project **READINESS**.
- Project with a clear **END USE**.
- End use will have a significant economic **IMPACT**.
- High Economic **DISTRESS** in Project Locality.

# Brownfields and the Industrial Revitalization Fund

- Envisioned as complementary funds
- VBAF to resolve environmental impediments
- IRF meant to be used for revitalization of structures which are vacant or deteriorated
- Both funds are meant to assist with redevelopment and revitalization especially in areas with economic stress
- IRF application was moved to the spring and deadline has passed for 2016

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