

Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund

Virginia Department of Environmental Quality
Virginia Economic Development Partnership
Webinar
August 19, 2015



Rob McClintock
Virginia Economic Development Partnership
rmcclintock@yesvirginia.org
804-545-5772

Meade Anderson
Virginia Department of Environmental Quality
j.meade.anderson@deq.virginia.gov
804-698-4179

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

The money, the match, & the schedule

- Capitalized with \$750,000 for FY2016
- (Initially funded in FY2012 with \$1,000,000)
- Maximum \$50,000 grant
- Required 1 to 1 match
- Applications on a first come first serve basis
- Complete projects by agreed upon date in the Performance Standard

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 and Feedback

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
- 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)

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 incurred after the signing of the VBAF grant performance agreement**

Single Site or Multiple Properties

- Single site
- Can be focused toward multiple properties, if there is a linkage among properties
- Target key properties with redevelopment potential
- Single application
- Award remains capped at \$50,000

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
- Costs incurred less than 10 years prior to the date of the application
- Costs incurred prior to completion of the project

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

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 within 10 years of the date of the application.
- For local matches yet to be expended or incurred, the Applicant must reasonably expect to expend or incur such costs prior to project completion.

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

- Performance agreement between VEDP and the Recipient outlining end products, conditions, fund disbursement and termination must be executed
- Disbursed in on or two payments, with fifty percent (50%) paid at the time that the VBAF grant performance agreement is signed and fifty percent (50%) paid when (a) the final report is filed; (b) project is complete or (c) an amount equal to the remaining VBAF grant proceeds has been expended or incurred
- Additional grant disbursement, in an amount up to 20% of the original grant, can be made if needed to complete a cleanup or remediation

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
- Extent of the perceived or real environmental contamination

Application Timetable

- Open for applications NOW!
- Awards are made as soon as the committee completes review
- Will continue until funds are all committed
- Performance agreements will be negotiated and completed as soon as possible

Contractual Obligations

- All performance agreements are subject to negotiation with VEDP
- The performance agreements will require have a completion date
- Any Recipient that does not use all of its designated funds by project completion, 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

- The application shall consist of the Virginia Brownfields Assistance Fund Grant application form, and any associated documentation for the proposed project
- **Brevity is considered a virtue** – Please be concise yet well documented
- Prefer that application materials be sent electronically

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

Application Submission

VEDP and DEQ strongly prefer that application materials be sent electronically

rmcclintock@yesvirginia.org

j.meade.anderson@deq.virginia.gov

- **Mail Delivery:**
 - Robert W. McClintock, Jr.
 - Director, Research Division
 - Virginia Economic Development Partnership
 - P. O. Box 798
 - Richmond, VA 23218-0798
- **Street Delivery:**
 - Robert W. McClintock, Jr.
 - Virginia Economic Development Partnership
 - 901 East Byrd Street, 19th Floor
 - Richmond, VA 23218

Guidelines and Information

- <http://www.virginiaallies.org>
- <http://www.virginiaallies.org/assets/files/incentives/VBAFGuidelines.pdf>

Reporting and Feedback

- Grant Report requested within 90 days after the Performance Date
- Reporting format is flexible
- Brief e-mail describing progress to date
- Status report/interim report may be needed depending upon site, situation, project duration and payment schedule

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

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
- \$2,000,000 in the IRF
- Jordan Snelling – 804-371-7121
- Jordan.snelling@dhcd.virginia.gov

Note Typo

- Page 5: Please note that Phase I ESA work should follow the updated standard **ASTM International's E1527-13 "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process"**

Contacts:

- Rob McClintock- VEDP

rmcclintock@yesvirginia.org

804-545-5772

- Meade Anderson-VDEQ

j.meade.anderson@deq.virginia.gov

804-698-4179