Introduction to Mankato's U.S EPA Brownfield Grants

Community-Wide Assessments for Petroleum and Hazardous Substances

Mankato Brownfield Advisory Committee Meeting

May 30, 2018

Logistics

- In 2017, Mankato was awarded two U.S. EPA Brownfield Community-Wide Assessment grants to support inventory, assessment, and revitalization of vacant and underutilized sites throughout the City.
- These grants have a 3 year performance period.
- The total awarded was $300,000. $200,000 for hazardous substance sites and $100,000 for sites impacted primarily with petroleum.
- The grants are 100% funded. No match funds were required.
- Sites in public or private ownership can be evaluated.
- Generally for a site to be eligible for funding, the “responsible party” must be unknown, insolvent or no longer in existence. Eligibility of individual sites must be confirmed by U.S. EPA or MPCA prior to use of assessment funds. When in doubt, ask for an eligibility determination!

What is a Brownfield?

U.S. EPA Definition

"*Brownfields are 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*."



Key Points

- Definition is **very** broad.
- Most industrial sites and a significant % of commercial sites will meet the definition of a brownfield if they are abandoned, vacant, or underutilized.



Why are Brownfields a Problem?

- Direct costs to Mankato
- Loss of a tax base and reduced property values
- Indirect lost opportunity costs (environmental liabilities may derail plans)
- Blight and impacts to neighboring properties
- Threatening to public health and the environment from known or undocumented contamination
- Contamination of surface and drinking water sources





Why Involve Local Stakeholders?

- On average, 80% of brownfields sites will not be redeveloped without some type of initial public assistance
- Mankato is eligible for U.S. EPA, MPCA, DEED, and other funding available to assess, clean up, and facilitate redevelopment of brownfield sites.
- Various studies show $8 - $17 of private investment can be leveraged for each $1 of public investment in brownfield sites.
- Brownfield redevelopment is one of the most important sustainable land use practices, saving developers and our tax payers significantly through reuse, versus greenfield (sprawl) development.
- SBA & HUD studies show, on average one job is created for every $13,000 - $17,000 of public investment in brownfield redevelopment.
- Approximately 30% of sites assessed by previous U.S. EPA brownfield grant recipients were found to be “clean” with no environmental cleanup needed prior to redevelopment.

What Types of Activities can be Funded?

- Environmental due diligence activities (i.e., Phase I and Phase II environmental site assessments)
- Asbestos and hazardous material surveys.
- Environmental site investigations at sites where contamination is already known to be present, but the extent may be unknown.
- Redevelopment planning and market research components associated with potential site reuse.
- Remedial action plans, with cost estimates for environmental cleanup.
- Community outreach and education activities.
- Collection of environmental data to better identify sites throughout the City, threats to public health, and opportunities for redevelopment by integrating information with the City's geographic information system (GIS).

Benefits of Brownfield Redevelopment?

- Eliminate health and safety hazards
- Eliminate eyesores and blighted areas
- New jobs
- New investment
- Increase and protect the productivity of the land
- Increase property values and tax receipts
- Renew interest and vigor in high profile locations

Who is Key in Brownfield Cleanup and Redevelopments?

Private and public sector organizations may play a role in the course of cleaning up and redeveloping Brownfield sites. Not all of these organizations will be involved at every site. Key players may include:

- Minnesota Pollution Control Agency (MPCA)
- Minnesota Department of Employment and Economic Development (DEED)
- Commercial lenders
- Legal counsel (public and private)
- Citizens and community groups
- Local Government Agencies
- U.S. EPA and other Federal agencies
- Developers, investors and real estate professionals
- Local community development corporations
- State and local water commissions

What Do We Need from You?

- Identifying potential redevelopment projects
- Identifying public or private sites of concern for an eligibility determination



Questions, Comments, & Feedback

