BROWNFIELDS ROAD TO REDEVELOPMENT

PRESENTED BY THE NATIONAL TECHNICAL ASSISTANCE TO BROWNFIELDS COMMUNITIES (TAB) PROGRAM

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Mary Hashem, Adaapta; CCLR; RE | Solutions
Colette Santasieri, New Jersey Institute of Technology (NJIT)
AGENDA

- Welcome and Introductions
  - Presenters
  - TAB Program

- Brownfields Redevelopment Recap

- Funding Sources & Financing Options
  - How to think about financing a brownfield deal
  - Finding the right money at the right time

- Redeveloping for Resilience
  - Transforming brownfields sites for social equity, economic rebound, and climate change

- Q&A
Maggie Egbarts is a KSU TAB services coordinator assisting communities, tribes and local governments in U.S. EPA regions 5, 6, 7, and 8 navigate the waters of reuse and redevelopment of underutilized, vacant, blighted properties. Maggie has a Bachelor’s degree in Environmental Studies from the University of Kansas and over 16 years of experience in environmental assessment, cleanup, regulatory compliance and property revitalization, grant management, and technical writing.

Mary Hashem is the President of Adaapta, a woman-owned small business serving local governments and non-profits at the intersection of economic development, planning and brownfields revitalization. Mary is also a Principal with RE | Solutions, a brownfields acquisition and development company, and serves as the Board Chair for the Center for Creative Land Recycling. Mary has 30 years experience in land revitalization.

Colette Santaiser, PhD: Dr. Santaiser is the Executive Director of the New Jersey Institute of Technology's TAB Program. She possesses over 35 years of environmental, infrastructure, land use, and community revitalization planning experience, with an expertise in the planning and design of sustainable and resilient communities, properties, and civil infrastructure systems. Dr. Santasieri holds a PhD in Urban Systems, an MS in Civil Engineering, and a BS in Environmental Planning and Design.
**TECHNICAL ASSISTANCE TO BROWNFIELD (TAB) COMMUNITIES**

- Assist communities and tribes with the brownfields redevelopment process
- A national program funded by U.S. EPA grant
- Services provided are **FREE** and tailored to specific needs
- Planning, environmental & economic development expertise
- Webinars, workshop, e-tools (e.g., BiT, TAB EZ) & online resources

**Three TAB service providers**

- Kansas State University (KSU) assists in EPA Regions 5, 6, 7 & 8
- Center for Creative Land Recycling (CCLR) assists in EPA Regions 2, 9, and 10
- New Jersey Institute of Technology (NJIT) assists in EPA Regions 1, 3, and 4
TAB SERVICES MAY INCLUDE

- Help identifying and inventorying brownfields
- Strategic planning and redevelopment visioning
- Economic feasibility and sustainability analysis
- Educational workshops and webinars
- Community outreach and input
- Help identify funding sources
- Review of U.S. EPA Brownfields grant applications
- Help finding and evaluating environmental consultants
- Review of plans and technical reports
- Fact sheets and information
- Other assistance, as needed and agreed upon
LEGAL DEFINITION OF BROWNFIELDS

“...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.”

(Public Law 107-118 (H.R. 2869) - “Small Business Liability Relief and Brownfields Revitalization Act”, signed into law January 11, 2002).
TYPICAL RURAL BROWNFIELDS SITES

- Abandoned Railroad Property
- Abandoned Gas Stations
- Agricultural Buildings (elevators, silos, flat storage)
- Automotive Repair Shops
- Abandoned Buildings
- Old Schools
BROWNFIELDS FURTHER DEFINED

- Not just any contaminated site
- A brownfield project is a redevelopment project that is often impeded by environmental concerns
  - Old industrial or commercial sites, vacated downtown corridor, abandoned school building, etc.
  - Range of sizes big to small
THE BROWNFIELDS REDEVELOPMENT PROCESS AND KSU TAB ASSISTANCE

**Plan**
- Identify Brownfields
- Engage the Community
- Set Redevelopment Goals

**Investigate**
- Assist with the environmental consultant or qualified environmental professional
- Guidance through regulatory process
- Review of environmental reports and other documents

** Redevelop**
- Stakeholders & Partners
- Financial Resources
- Reuse Strategies
IDENTIFY BROWNFIELDS

- Make a list (inventory) of potential sites
  - Look for red flags (former gas station, dry cleaner, industrial).
  - Are environmental unknowns a barrier to redevelopment?
  - Ongoing environmental actions?
- How can these sites meet your redevelopment goals?
- KSU TAB Brownfields Inventory Tool

KSU TAB Brownfields Inventory Tool

BiT
Brownfield Inventory Tool
ONLINE DATA MANAGEMENT TOOL

Stores & Manages Site Data:

- Site survey & inventory
- Mirrors the brownfields redevelopment process
  - Site details
  - Assessment, cleanup, institutional controls
  - Redevelopment
- Upload photos and documents
- Generate maps
- Access anytime
- Access anywhere (mobile app)
- YOU OWN THE DATA
COMMUNITY ENGAGEMENT

- Engagement with community is a two-way street – to inform and gather input
- Use input received to help inform redevelopment goals
- Synergies and partnerships being to form
- Ensure engagement continues throughout the project.
IDENTIFY STAKEHOLDERS

- Local non-profits, community groups, church groups
- Community Development Corporations
- Local leadership – mayor, town manager, county commissioner
- Local planners
- Regional Planning Commission
- Economic Development interests
- Financial Institutions
- All interested residents
COMMUNITY ENGAGEMENT ACTIVITIES
SET REDEVELOPMENT GOALS

- Define the vision for the site, area, and/or region
  - Involve all stakeholders
  - What are the **economic**, **community**, and **environmental** needs & opportunities to **DRIVE** redevelopment
  - Do community plans exist? If so, review for already established goals. If these plans do not exist, work with stakeholders to create them.

- TAB Assistance to Communities
  - Strategic planning and reuse visioning
  - Economic feasibility and sustainability analysis
  - Facilitate meeting to help refine redevelopment goals
  - Educational workshops
VILLAGE OF EAST TROY, WI

RE-IMAGINING THE
FORMER TREN TUBE SITE
Community, Economic, and Environmental Considerations

Former Trent Tube Site Today

Former Trent Tube Site Future...

The images shown represent five broad categories and the site-specific issues and ideas that were written on cards by the participants at their tables.
INVESTIGATION

- Help find and evaluate environmental consultants
- Review and explain to the community technical plans and reports
- Guidance through regulatory framework
- Review grant proposals for funding sources
- Review Analysis of Brownfield Cleanup Alternatives (ABCA)
REDEVELOPMENT

- Key to success for any redevelopment project is public involvement and having the right players on board
- Refer back to master plans, community input, and established goals
  - Jobs and services
  - Transportation options
  - Housing, schools, parks
  - Other
- TAB Assistance to Communities
  - Resources Roadmaps
  - Feasibility study; Market analysis
  - Facilitate Resource Roundtables
OTHER TAB RESOURCES

- Educational Workshops
- Webpage full of resources
  - www.ksutab.org
  - https://www.cclr.org/technical-assistance
  - https://www.njit.edu/tab
- Other assistance as needed and agreed upon

- TAB EZ Grant-writing Tool
  - User friendly and can be accessed anytime at the user’s own pace
  - User name/password – PRIVACY PROTECTION
  - Primary user can give access to collaborators
  - Helpful Hints for grant criteria to be addressed
  - Integrates Brownfield education with online support: definitions, proposal guidelines, pertinent federal/state web links, and past successful proposals
FUNDING SOURCES & FINANCING OPTIONS

- How to think about financing a brownfield deal
- The right money at the right time
- Funding sources and financing options
HOW TO THINK ABOUT FINANCING A BROWNFIELD DEAL

- Debt vs. Equity
- Sources & Uses
- Building the Capital Stack
- The Right Money at the Right Time
SOURCES & USES

Sources
- Equity
  - Developer equity
  - Private equity
  - Grants
  - Public Financing
- Debt
  - Loans
  - Bonds
  - Public Financing

Uses
- Community Outreach
- Planning
- Environmental & Geotech Assessment
- Purchase Price
- Legal, Title, Survey
- Insurance
- Cleanup
- Development Costs
### Example Sources and Uses Table

<table>
<thead>
<tr>
<th>Entity</th>
<th>Role</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASARCO Multi-State Custodial Trust</td>
<td>Dispose of ASARCO Assets / Property Owner</td>
<td>$14.5 million</td>
</tr>
<tr>
<td>CDPHE + ASARCO National Trust</td>
<td>Grants</td>
<td>$500,000</td>
</tr>
<tr>
<td>Globeville I, LLC</td>
<td>Developer / Equity</td>
<td>$2.25 million</td>
</tr>
<tr>
<td>HUD Section 108 (Adams County)</td>
<td>Debt</td>
<td>$10.0 million</td>
</tr>
<tr>
<td>HUD CDBG (Denver)</td>
<td>Grant</td>
<td>$750,000</td>
</tr>
<tr>
<td><strong>Total Project</strong></td>
<td></td>
<td><strong>$28 million</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Use</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abatement, Demolition, &amp; Remediation</td>
<td>$16.9 million</td>
</tr>
<tr>
<td>Over lot Grading, Onsite &amp; Offsite Infrastructure</td>
<td>$10.0 million</td>
</tr>
<tr>
<td>Planning, Approvals, Fees, Overhead, &amp; Other Soft Costs</td>
<td>$1.1 million</td>
</tr>
<tr>
<td><strong>Total Project</strong></td>
<td><strong>$28 million</strong></td>
</tr>
</tbody>
</table>
Capital Stack is a term used to describe the layers of funding of different types and sources that go into financing a real estate deal.

When properly depicted, it also represents the relative risk that each investor holds in the deal, with sources at the bottom of the stack being more secure, and those at the top bearing the most risk.
Examples of Capital Stacks

- **Equity**
  - Secured Debt (1st Mtg)
  - Home Loan

- **Equity**
  - Junior Debt (2nd Mtg)
  - w/ 2nd Mtg

- **Equity**
  - Preferred Equity
  - Junior/Mezz Debt
  - Commercial Real Estate

- **Equity**
  - Secured Debt
  - Brownfield

- **Equity**
  - Senior/Secured Debt
  - Senior/Secured Debt
  - Brownfield

**Notes:**
- Examples include Home Loan w/ 2nd Mtg.
- Commercial Real Estate and Brownfield projects.
THE RIGHT MONEY AT THE RIGHT TIME

- Plan and structure the Capital Stack with an eye to how and when the dollars will be used.
- Early stages of a project need funding or in-kind services for planning, assessment and community outreach.
- Later stages of a project need funds for cleanup, infrastructure, and construction.
- Assess and plan for long-term care.
FUNDING SOURCES & FINANCING OPTIONS

Public Sources
- EPA Grants (Cleanup, Assessment, Planning)
- Revolving Loan Funds
- Tax Increment Financing (TIF)
- Bonds
- Special Districts
- State or Regional Sources
- Federal Agencies (other than EPA)

Private Sources
- Developers
- Private Sector Investors ("private equity")
- Banks
- Foundations
- Corporate Philanthropy

In-Kind Support
- TBA assistance
- TAB support
FUNDING SOURCES & FINANCING OPTIONS

- Housing and Urban Development (HUD) 108 loans, CDBG and Choice Neighborhood grants
- Tax Credit Programs
  - New Market Tax Credits
  - Historic Tax Restoration Credits
  - Opportunity Zones
  - Low Income Housing Tax Credits
  - Energy Efficiency and Renewable Energy Tax Credits
- USDA Grants
- Economic Development Administration Grants
RESOURCES

- EPA Publications
  - *Setting the Stage for Leveraging; Resources for Brownfields Revitalization*, April 2016
  - Available at [www.epa.gov/brownfields](http://www.epa.gov/brownfields)

- Technical Assistance to Brownfields Communities (TAB)
Colette Santasieri, PhD
Executive Director
New Jersey Institute of Technology
Technical Assistance to Brownfield Communities Program (NJIT TAB)

October 21, 2020
Resilience

the ability of a community to respond to and recover from adversity
Wilmington Delaware, Southbridge neighborhood
South Wilmington Wetlands Park

Rendering courtesy of Kimley-Horn
Stafford Hill Solar Farm
Rutland, VT
Sparta, Tennessee

Photo courtesy of Tennessee Department of Environment and Conservation
Jackson Kayak

Photo courtesy of Tennessee Department of Environment and Conservation
Aurora, Colorado
Stanley Marketplace
Pawtucket, Rhode Island

Drone photos by All Events Video and Photography
Farm Fresh Rhode Island
Burns Street Nutrition Center
It will take a village - Create a Collaborative Planning Team.

Determine the mission and goals of your team.

Potential team members
• Government representatives, such as:
  • Elected officials
  • Health Department
  • Police or Public Safety Department
  • Engineering Department
  • Planning Department
  • Economic Development Authority
  • Redevelopment Agency
  • Housing Department
  • Community Development Department
  • Environmental Commission
  • Parks Department

• Environmental Justice Organization
• Chamber of Commerce
• Faith Based Organization
• Local Business Owners
• University
Understand the community’s vulnerabilities.
Inventory your brownfield sites.
Match your brownfield sites with the vulnerabilities, but take a systems approach.
Tips on Building Community Resilience by Redeveloping Brownfields

ENGAGE YOUR COMMUNITY THROUGHOUT THE ENTIRE PROCESS.
EPA Regions 1, 3, 4

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