



THE BROWNFIELDS STUDY GROUP 2009

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April 2, 2009

The Honorable Herb Kohl
US Senate
330 Hart Senate Office Building
Washington, D.C. 20510
Fax: (202) 224-9787

Dear Senator Kohl:

Re: Ensuring Adequate Funding for Brownfields Revitalization

The Brownfields Study Group is a Wisconsin-based advisory task force working with the state on policy issues related to brownfields sites (please see attached list of members).

We are writing to urge you to expand funding for the EPA and HUD brownfields programs. As you know, many Wisconsin communities are struggling to address brownfields that blight our communities, erode the local tax base and pose a potential hazard to public health. Federal brownfields funds are helping turn these liabilities into assets, but more resources are needed to hasten revitalization of Wisconsin communities.

EPA Brownfields. We recommend funding at the full \$250 million level, as authorized by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (i.e. the "Brownfields Revitalization Act").

Funds under this program are used to assess and clean up brownfields such as abandoned or under-utilized warehouses, inactive factories, gas stations, salvage yards, vacant lots, contaminated properties and other eyesores that plague virtually every community, both urban and rural. These properties cause blight to neighborhoods, inhibit economic development, pose risks to public health and the environment and erode the tax base of communities.

By any measure, the EPA Brownfields Program has been tremendously successful. Since 1995, EPA has invested approximately \$1.5 billion in brownfields site assessment and cleanup, leveraging \$12.9 billion in cleanup and redevelopment dollars – a more than eight-to-one return on public investment. The EPA's Brownfields Program has resulted in the assessment of more than 13,000 properties and helped to create more than 53,000 new jobs nationwide. These impressive numbers only tell part of the story, as communities across the

country report that brownfields projects are often lynchpins to spurring larger revitalization efforts, increasing local tax revenue and bringing new vitality to struggling neighborhoods and communities.

While the EPA Brownfields Program has helped numerous communities, much remains to be done. Experts estimate there remain as many as 1 million brownfield properties nationwide. These sites continue to blight neighborhoods, discourage new investment and undermine economic progress in many communities. Historically, EPA has been able to fund only about one third of the qualified applicants for federal brownfields grants.

HUD Brownfields and HUD 108. We recommend funding levels of: (1) \$25 million for HUD's Brownfields Economic Development Initiative (BEDI) program; and (2) \$6 million in FY 2008 appropriations to support \$275 million in HUD Section 108 loan guarantee authority.

The two HUD/BEDI programs must be distinguished from the EPA Brownfields Program. While EPA brownfield funds can be used for environmental assessment and cleanup, EPA funds cannot be used for demolition, infrastructure, grading, building rehabilitation and other basic site preparation and physical development needs that are essential components of most brownfield redevelopment projects. Only HUD funds can help communities meet these needs.

The HUD 108 funds allow communities to finance major redevelopment projects – on brownfield or otherwise blighted properties – by borrowing against future CDBG entitlements. The HUD 108 is the only federal community development program that is geared to the kind of larger scale redevelopment that can transform dilapidated distressed communities into thriving new urban centers.

Again, we urge you to ensure adequate funding for brownfields programs for FY 2010. Without these critical seed funds, hundreds of thousands of brownfield sites will continue to remain idle, blighting neighborhoods and undermining local revitalization.

Sincerely,

Bruce Keyes, on behalf of the
Brownfields Study Group

Encl: 2009 Brownfields Study Group membership