

Missoula Brownfields Revolving Loan Fund FAQ

Since 2004, the City of Missoula has administered a Brownfields Revolving Loan Fund (RLF) with funding provided by the U.S. Environmental Protection Agency (EPA). The Brownfields RLF provides funding for area companies and/or organizations to clean up environmental contamination during redevelopment projects. Below is a list of frequently asked questions about Missoula's brownfields program.

Why should developers, businesses, or nonprofits investigate brownfields?

Because the Brownfields RLF can provide a grant or low-interest loan to pay for environmental cleanup that would otherwise hinder redevelopment.

What is the Missoula Brownfields RLF?

Just what it sounds like – a dedicated loan fund managed by the City and the Montana Community Development Corporation (MCDC). The goal of the Brownfields RLF is to help clean up environmental pollutants *and* facilitate redevelopment of underutilized or vacant properties. If someone would redevelop a particular property, *if only* it weren't for the cost of cleaning up old spills/asbestos/buried waste ... that's where the RLF can help, by providing low-interest loans (or sometimes grants) to redevelopers.

How does the Missoula's Brownfields RLF work?

Missoula's Brownfields RLF invites applications for below market-rate, generous-terms loans to clean up sites for redevelopment. Nonprofits may sometimes obtain grants from the RLF. The RLF may only be utilized within City limits. As borrowers repay the loan, the funds are "revolved" back into the RLF, and the money can be loaned to new brownfield projects.

What is a brownfield, anyway?

The Environmental Protection Agency describes a brownfield like this: *"A brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant."* Basically, a brownfield is any property where real or perceived environmental contamination is inhibiting reuse. In general, brownfields are old industrial sites, "sick" buildings with asbestos or lead paint problems, old dumps, old service stations, meth labs, etc. EPA must agree that a site qualifies in order to receive funding, but the definition is pretty broad.

Are all polluted sites eligible for funding?

Many, but not all. For example, sites owned by the U.S. Government and sites subject to enforcement under CERCLA (federal Superfund) are ineligible. Further, Missoula's RLF cannot currently be used at sites where pollution is predominately petroleum products. (However, there are separate-but-related funding streams worth exploring with Missoula's Brownfields Coordinator if there is local interest in petroleum sites.)

Do I have to own a site to apply for funding?

Not for a loan, but you need the full cooperation of the current landowner. For a grant (rather than a loan) to a nonprofit, the recipient must own the site.

How can RLF funding be utilized?

For any eligible environmental cleanup costs on an approved site. In general, most cleanup costs are eligible, but RLF funding cannot be used for “soft” costs such as administration, for building or renovation, or for site improvement unrelated to clean up.

Who is eligible for funding?

In general, **private landowners** or potential landowners (including nonprofits and public entities) who are not responsible for the pollution on a site (and have acted responsibly to contain it) are eligible for loans. In general, **nonprofits and public entities** which are not responsible for the pollution on a site are eligible for loans for a site they intend to purchase, or grants or loans for a site they own. The legal stipulations are detailed, and a site-specific determination is necessary, but these general rules should give interested parties a sense of whether they want to learn more.

Are there strings attached to RLF funding?

All projects have to comply with some basic federal requirements, such as honoring Davis-Bacon federal wage rates and offering opportunities for public input on a proposed cleanup. Outside of these basic requirements, some projects, like asbestos remediation, are pretty straightforward for the RLF. Other projects – like, say, CECRA (state Superfund) sites – might require agreement with Montana DEQ on how cleanup will occur, as well as other efforts. These are not necessarily “strings,” but EPA and the City need to ensure that projects we facilitate are both effective and in the public interest. The more complicated or severe the hazard, the more complicated the process.

What size projects does the RLF fund?

The Missoula Brownfields RLF has provided funding to one very large project—more than \$1.5 million in loans to clean up the old Champion Sawmill on the banks of the Clark Fork—and one very small project—a \$30,000 grant to the North Missoula Community Development Corporation (NMCDC) for asbestos remediation at the Burns Street Community Nutrition Center. Given the requirements related to participating in the program, private developers typically don’t seek brownfields money for cleanups that cost less than \$50,000, although each situation is different, and, in particular, the program may be effective for remediation of “sick” buildings at a much lower threshold. The upper limit on both grants and loans depends upon available funding, review by an environmental professional, and discussion with EPA and DEQ. Loans will be reviewed and approved by the MCDC.

When will the Missoula Brownfields RLF next invite applications?

The City has an open application period. Please note that a pre-application letter must be completed and reviewed by the Brownfields Coordinator prior to invitation to complete a full application. Applications will be reviewed as they are received, at the Brownfield Committee’s discretion.

Are there other sources of brownfields funding?

Yes. The City, EPA, and Montana DEQ offer funding for assessment of brownfields (Phase IIs, for example), and EPA offers cleanup grants of up to \$200,000 to nonprofits and local governments.

Where can I get more information?

- *For details on the Missoula program and a look at previous application requirements*, review the Missoula Brownfields web page at: <http://www.missoulacounty.us/government/community-development/grants-community-programs/community-development-division/brownfields-environmental-programs>
- *For success stories from around the country, and for information on brownfields law and federal funding for assessments and cleanups*, see: www.epa.gov/brownfields
- *For regional brownfields news* see:
 - <http://www2.epa.gov/aboutepa/epa-region-8-mountains-and-plains>
- *For information on DEQ funding and contacts*, see: <http://deq.mt.gov/brownfields/default.mcp>

Other organizations that can provide information about Brownfields:

- <http://coloradobrownfields.org/> and <http://www.cocobrownfields.org/> for efforts in Colorado
- <http://www.brownfieldscenter.org/index.cfm> for information from the Environmental Law Institute
- <https://www.planning.org/research/brownfields/> from the American Planning Association

Who can I ask about potential projects in Missoula?

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