

Financing Brownfields Redevelopment in Oregon

A brownfield is property where expansion or redevelopment is complicated by actual or perceived environmental contamination. Business Oregon's Brownfields Program is available to provide financing for the full range of environmental activities, assessment through cleanup, associated with brownfields redevelopment. Business Oregon works closely with the Oregon Department of Environmental Quality to ensure that a project's scope and scale of work will not only achieve environmental compliance but will also meet the needs of the redevelopment project.

The benefits of redeveloping brownfields include:

- promoting economic development;
- enabling efficient land use;
- minimizing construction of new service infrastructure;
- facilitating the resolution of environmental justice issues;
- and protecting environmental and human health.

The purpose of Business Oregon's Brownfields Program is to assist individuals, non-profit organizations and local governments with financing to evaluate, cleanup and redevelop brownfields. The Department manages two brownfields financing programs: the Oregon Brownfields Redevelopment Fund funded by proceeds from the sale of state revenue bonds; and, the Oregon Coalition Brownfields Cleanup Fund capitalized through a revolving loan grant from the U.S. Environmental Protection Agency.

**business
oregon**
where business grows

Business Oregon's mission is to create, retain, expand and attract businesses that provide sustainable, family-wage jobs for Oregonians through public-private partnerships, to leverage funding and support of economic opportunities for Oregon companies and entrepreneurs.

Business Oregon, a.k.a. the Oregon Business Development Department, houses the Infrastructure Finance Authority; the Office of Minority, Women, and Emerging Small Business; the Oregon Arts Commission; the Oregon Cultural Trust; and is the fiscal agent for the Oregon Film and Video Office.

Business Oregon's business development officers are in the field helping existing businesses grow. To locate your representative visit, www.oregon4biz.com. For more information about Business Oregon's brownfields financing programs contact Karen Homolac, 503.986.0191.



Before

Ava Roasteria:

A former gas station was redeveloped into a eco-friendly, landscaped coffee shop and bakery, where residents gather and socialize.



After

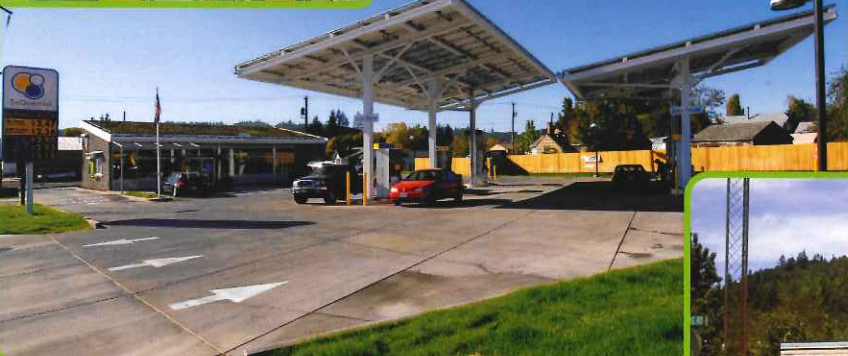
SeQuential Biofuels Project, Eugene, OR

Recipient of the 2007 National UST Phoenix Award

Located along the McVay Highway in Eugene on the former Franko #15 service station property, the SeQuential Biofuels retail station was the first alternative fuel retail station in the Pacific Northwest offering biofuel blended with petroleum as well as ethanol blends for flex-fuel vehicles. The station and adjoining coffee shop/natural food market is substantially run on renewable power through its self-contained solar array and wind power.

The former Franko #15 service station was left abandoned after petroleum contamination was discovered on the site in 1991, and became the property of Lane County through tax foreclosure by 2004. In an effort to revitalize the site, Lane County entered into negotiations with ODEQ and SeQuential Biofuels. A Brownfields Cleanup Grant from the US EPA in 2005 along with a matching brownfields cleanup loan from Business Oregon started the cleanup, which included soil excavation, installation of monitoring wells, and collection and treatment of groundwater. Today, the property's unique features are designed to prevent recontamination. In addition, "green" features include solar canopies at the dispensers that provide 30 to 50 percent of the site's electrical power, an eeroof, an interior constructed from untreated wood interior and architectural design features that allow the store's interior to heat and cool naturally. SeQuential Biofuels has a loyal following of patrons, serving approximately 300 customers everyday.

SeQuential Biofuels is both paving the way for future alternative fuel facilities while cleaning up a site impacted from an "old-line" service station. It is a pivotal representation of what tomorrow's brownfields can encompass, and the potential to accommodate alternative energy options.



Oregon Brownfields Redevelopment Fund

The Brownfields Redevelopment Fund is a direct loan and grant financing program to assist property owners to conduct environmental actions and assessment through cleanup on brownfields.

Eligible Applicants

Any individual, business, non-profit organization, prospective purchaser, municipality, special district, port or tribe may apply to the Brownfields Redevelopment Fund. For program purposes there are two types of applicants: 1) Municipal and 2) Non-municipal. Cities, counties, tribes, ports and special districts are municipal applicants. All other applicants are non-municipal.

Note: Any applicant in violation of an active enforcement order relating to the contamination at the site receiving the environmental action is not eligible to apply for funding assistance from the Brownfields Redevelopment Fund.

Funding

The Brownfields Redevelopment Fund provides both grant and loan funding, but is primarily a loan program. Grants can be awarded, up to program limits, on a case-by-case basis depending on a financial analysis of the applicant's debt capacity and the public benefits of the proposed redevelopment project. Financial analysis of an applicant's ability to repay a loan is the primary method the department uses to manage and allocate limited grant resources. Examples of public benefits that factor into the funding decision include family wage job creation, assistance to rural or economically distressed communities, or addressing urgent health and/or safety needs of a local population directly impacted by identified environmental contamination on the property.

Regulatory Oversight

All environmental actions funded by the Brownfields Redevelopment Fund must receive review oversight by the Department of Environmental Quality. ORS 285A.188 requires Business Oregon to consult with the Department of Environmental Quality prior to making a funding decision. Indication of how oversight will be performed must be included in the funding application. Oregon's voluntary cleanup program and underground storage tanks program are examples of acceptable oversight.

For more information contact:

Karen Homolac, Brownfield Specialist

Phone: 503.986.0191 • email: karen.homolac@state.or.us