

CASE STATEMENT: CREATING JOBS BY FULLY CAPITALIZING BUSINESS OREGON BROWNFIELD REDEVELOPMENT FUND

PROGRAM DESCRIPTION

Key Words

Brownfield Cleanup, Site Adaptive Reuse, Economic Development, Job Creation, Oregon Business Success

The Business Oregon (OBDD) Brownfield Program provides assistance for planning, assessment, cleanup, and other critical activities associated with brownfield redevelopment. The goal of the program is to leverage economic redevelopment in Oregon communities and address concerns of environmental and human health, social equity, and environmental justice. In addition, the program supports sustainable land use by maximizing the efficiency of existing infrastructure and reducing urban sprawl through urban infill.

The program acts as a major funding source for economic development and job creation around the state through a revolving loan fund (RLF). The RLF provides financial assistance to public and private property owners in the form of low-interest loans to spur development on underutilized properties and preserve and create jobs. Small technical assistance grants are available to public entities on a case by case basis. Funding is available to individuals, non-profit organizations, ports, tribes, special districts, and local governments. The program is funded by proceeds from the sale of state revenue bonds.

Business Oregon Mission Statement

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.

These grants provide funding to conduct the necessary preliminary studies, implement environmental remedies, and restore contaminated property to productive use. The grants help Oregon businesses succeed. The program supports Business Oregon's Mission Statement to supporting existing businesses and attracting business to Oregon.

RETURN ON PUBLIC INVESTMENT

Key Words

Increase Property Values, Environmental Improvement, Economic Development, Environmental Justice, and Human Health

Money invested in projects through the OBDD RLF has provided a return on public investment through increased property values, environmental cleanup and human health risk reduction, advancement of social and environmental justice, economic development, and infill urban development in support of growth management objectives. The fund has been active for over ten years and has facilitated redevelopment of hundreds of properties. OBDD seeks to focus its resources on properties that serve as catalysts for community revitalization and business development. Several of the projects have won prestigious state and national awards for their contribution to business development in Oregon. The redevelopment of brownfield properties around the state can create the needed land for thousands of potential jobs.

WHAT NEEDS TO BE DONE

Key Words

Recapitalization, Advocacy, Engagement, Economic Growth

It has been acknowledged through recent analysis of industrial land capacity in the state that the redevelopment of brownfield properties will play an increasingly important role in providing the needed land for locating new and expanding business for increased employment opportunities. Recapitalization of the RLF would generate a much-needed stimulus for brownfield properties in the state. This paper supports recapitalization of the fund. Without that, OBDD will be limited to the unobligated capital remaining in the fund, currently approximately \$600,000. Approximately \$10M in recapitalization would provide much needed funding for critical projects and provide critical support for Oregon economic growth.

SUCCESS STORIES

Port of Newport International Terminal, Newport—Business Oregon worked with the Port of Newport to address cleanup of contamination from within the two WWII-era ships that served as the structural support for the Terminal's docks. Once clean, one of the ships was demolished as part of the Port's \$24M terminal redevelopment project. Redevelopment of the Terminal served to attract the National Oceanic and Atmospheric Administration to relocate their Pacific research fleet to the Oregon coast. Funds from the Brownfield RLF were integral to remediation of the two ships, sediment and upland contamination, key to restoring the property to an active and productive use. Remediation of the Terminal has served as a catalyst for the region and resulted in over \$70M of infrastructure construction since 2010 and created a new era of prosperity for this region.



Ava Roasteria, Beaverton—Ava Roasteria is a locally owned and operated coffee shop located in the heart of downtown Beaverton. A long-time resident purchased the site of the dilapidated former gas station with the aspiration of starting an independent business that would contribute to the character of the neighborhood and to the vitality of the local economy. Cleanup funding was provided by the Oregon Brownfield Redevelopment Fund. The coffee shop added 20 new jobs to the region and revitalized a prominent property at a major, downtown intersection. The project is a model example for how brownfield redevelopment on a small site can use environmental cleanup to leverage the success of local, small business while reducing the number of DEQ orphan sites.



Zidell Marine, Portland—The Zidell Marine site is located in Portland's South Waterfront District. The former shipyard site had been used for ship dismantling, scrapping, and metals recycling operations. The cleanup effort involved 32 acres of upland and 11 acres of submerged remediation. Almost the entire site was contaminated and required remediation. The project is a result of more than fifteen years of work, during which Zidell conducted extensive analysis of site contamination, engineering, and habitat. A loan from Business Oregon RLF provided the necessary gap financing needed to support ongoing environmental work without disrupting the continued industrial barge building operations that support over 50 industrial, high-paying jobs on the property.

The site is the largest and most strategic undeveloped property in downtown Portland. It is also the largest and most complex brownfield cleanup in the City's history, and cleanup costs exceeded \$20M. The Zidell family's vision for the property includes industrial and commercial mixed-use that would support new job creation for the surrounding community. Business Oregon recognizes the opportunity for leveraging economic redevelopment along Portland's waterfront and supports the property vision for stimulating job creation.

Adair Village Industrial Site (AVIS), City of Adair Village—Adair Village is located just north of Corvallis in Benton County. The AVIS property was a former plywood mill site. Soil and groundwater are contaminated and the community has suffered because of lost timber jobs. Through an Integrated Planning Grant from Business Oregon, the City has engaged in a strategic planning effort that seeks to maximize the economic uplift for the site, while incorporating community engagement, and focusing on addressing legacy contamination on the property. Through this effort, a business partner has been identified and the City has moved forward on expansion and leasing options for the property.

SeQuential Biofuels, Eugene—SeQuential Biofuels is an environmentally friendly biofuel station, once the site of a gasoline service station. Petroleum contamination was cleaned up with assistance from the Brownfields RLF. The locally-owned biofuels station furthers Business Oregon's mission to protect public health and stimulate the economy while serving as a showcase for sustainable development and green energy.

ACME Scenic and Design—ACME Scenic and Design is a six-acre site located in Portland. The facility operated as a pesticide formulation facility and was highly contaminated. Today the property supports a new owner and a vibrant design and manufacturing company bringing with it 70 permanent, high-paying jobs. Business Oregon provided a low-interest loan which financed remediation actions on site. Without this support, Acme Scenic would not have been able to make the acquisition and the property would continue to be blighted and abandoned.

