

## **Brownfields Program Revolving Loan Fund**

### **Frequently Asked Questions (FAQs)**

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 RLF provides funding for prospective entities to safely clean up environmental contamination during reuse or redevelopment projects. Below is a list of frequently asked questions about the RLF.

#### **Why should developers, businesses, or nonprofits apply for brownfields funding?**

Because the RLF can provide technical assistance and subsidized funding to pay for environmental cleanup that would otherwise hinder reuse or redevelopment.

#### **What is the RLF?**

Just what it sounds like, a dedicated loan fund managed by the City of Missoula to safely clean up environmental contamination and to encourage reuse or redevelopment.

#### **How does the RLF work?**

When capitalized, the RLF invites applications for below market-rate loan terms to clean up brownfield sites. Nonprofits may also obtain subgrants from the RLF where repayment is not required. As borrowers repay capital, the fund is “revolved”, and the money is then redistributed towards future brownfield sites.

#### **What is a brownfield, anyway?**

EPA defines a brownfield as a property where the expansion, redevelopment, or reuse is complicated by the presence or potential presence of a hazardous substance, pollutant or contamination. Brownfield sites are often abandoned, idled, or under-utilized, and a major barrier to reusing or redeveloping them is the fact that contaminated properties have marginal economic feasibility after remediation costs.

#### **Are all contaminated 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. Also, current property owners cannot have caused or contributed to the environmental contamination.

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

Not for a loan, unless ownership is required for the purpose of securing collateral. For a subgrant to a nonprofit, the recipient must own the site.

#### **How can the RLF be utilized?**

For any eligible cleanup costs on an approved brownfield site. In general, most cleanup costs are eligible, but some ineligible uses include costs for construction, demolition, and site development activities that are not cleanup actions.

**Who is eligible for funding?**

Private landowners and nonprofits may apply for loans. Only nonprofits are also eligible for subgrants.

**Are there strings attached to the RLF?**

All projects must comply with some basic federal requirements, such as (but not limited to) documenting procurement and Davis-Bacon prevailing wage rates, offering opportunities for public input on the proposed cleanup activities, preservation of historic buildings, and worker health and safety standards.

**What is the typical size of an RLF project?**

The RLF has provided over \$3.5 million in financial assistance to clean up brownfield sites across the city, ranging from a \$1.78 million loan for cleanup of 46 acres at the Old Sawmill and a \$42,000 subgrant for cleanup of 1.26 acres at the Opportunity Place. A loan is not limited to any certain funding amount. However, a subgrant is limited to \$350,000 per site. A waiver of this funding limit for a subgrant must be approved by EPA.

**When is the funding available?**

Applications are accepted year-round. The amount available varies, depending on the number of applications received and the balance of the RLF.

**How can entities apply?**

All applicants must submit a Pre-Application Letter stating their interest in receiving a brownfield loan or subgrant. Upon receipt and review of the letter, notice will be provided to the applicant, inviting a full application or disallowing an application and the reasons why.

**How does the City ensure safe cleanup?**

Following state and federal regulations, the City's Brownfields Program Specialist along with a qualified environmental professional, EPA, and the Montana Department of Environmental Quality (DEQ) provide the technical knowledge and capacity needed to ensure successful completion of brownfield site cleanup projects.

**Are there other sources of brownfields funding?**

Yes. Both EPA and DEQ offer funding for assessment (Phase I/II, for example) and cleanup of brownfield sites. In addition, Missoula County provides technical assistance for assessment activities when funds are available.

**Where can I get more information?**

- City of Missoula Brownfields Program webpage:  
<https://www.ci.missoula.mt.us/3043/Brownfields-Redevelopment>
- DEQ Brownfields Program webpage:  
<https://deq.mt.gov/cleanupandrec/Programs/brownfields>
- EPA Brownfields Program webpage:  
<https://www.epa.gov/brownfields>

- Kansas State University Technical Assistance to Brownfields (TBA):  
<https://www.ksutab.org/>
- Missoula County Brownfields Program:  
<https://www.missoulacounty.gov/departments/grants-community-resources/federal-and-state-grants/brownfields-program/>

**Who can I contact to talk about potential projects in the City of Missoula?**

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