



March 31, 2017

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Environmental Protection Agency
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Dear Senator,

As a follow-up to our conversation on March 14, this letter provides recommendations on how to reform Brownfields Assessment and Cleanup Grants to better meet the needs of local governments. The Port of Bellingham has been actively cleaning up and redeveloping brownfield sites since the mid-1990s and has utilized the EPA Brownfields grant program on a limited basis. However, there were several key constraints of the program that undermined its value and effectiveness for our community.

1. **Constraint - Program Funding Limits for Site Investigation and Cleanup are too Low:** The Brownfields Program currently maintains funding limits of \$200,000 per site for municipal entities undertaking site investigation and cleanup. This limit has remained unchanged since the initiation of the program over 15 years ago without adjustment for inflation. In our experience, this level of funding has been helpful to conduct initial site investigations or targeted studies. But the funding level is inadequate to effectively stimulate cleanup at all be the smallest sites. Our Brownfields program has been focused on relatively complex cleanup sites that require targeted public support to activate cleanup and redevelopment. Most of these complex sites have cleanup liabilities ranging from \$1 million to greater than \$15 million. Though we are experienced at leveraging funding from multiple sources to achieve redevelopment outcomes, the \$200,000 funding limit is simply too low to provide substantial benefits.

Recommendation: The funding limits for the program should be updated by increasing site-by-site funding limits. This is needed to support important work at larger, more complex sites. In our experience these larger sites are the ones that require assistance beyond what the private sector can address on their own.

2. **Constraint - Overhead Burden for Grant Writing and Administration is too High:** The value of the grant program to the recipient is significantly eroded by the high costs of acquiring and managing the grants. We work with many different federal and state grant programs of different kinds. In contrast to our experience with these other programs, we were very surprised and dismayed by the heavy paperwork burden associated with the

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EPA brownfield grant that we received. Our Environmental Director at the time estimated our internal and external costs to obtain and manage the grant at approximately \$100,000, or 50 percent of the grant itself. A paperwork burden of 50 percent is clearly excessive. We don't have optics regarding the costs of EPA to administer the corresponding grant functions internally, but these must also be substantial.

Recommendation: Retool the grant administration to reduce the paperwork burden and lessen the administrative costs on grant recipients. Based on our experience with other grant programs, an administrative burden of 5 to 15 percent (on the grant recipient) is both reasonable and attainable and would ensure that designated program funds achieve the greatest impact.

3. **Constraint – The Program is Not Supportive of Phased Projects:** In our experience, successful brownfield revitalization activities require targeted support over a period of years (typically 3-10) years, through multiple project phases. These project life-cycles are inconsistent with the current grant program expectation that activities at a given site will begin/end all within a 2-years window. We have been intrigued at the much more supportive model used under the EPA Tribal Brownfields and Assistance Grants (Section 128a grants). That model allows a qualifying tribe to access grants over multiple years, with annual funding limits up to \$1 million per year. However, as a public Port, we are not eligible for that program.

Recommendation: Update the grant program model to allow a recipient to receive support during multiple project phases. This model appears to have been successfully applied to tribal grant programs, but not to grants for municipal entities like Ports and Cities.

Thanks again for the opportunity to comment and please let me know if you need any additional information,

Michael Hogan
Public Affairs Administrator

CC: Doug Ericksen