



Brownfields 2025

Sustainable Communities Start Here

AUGUST 5-8, 2025 | CHICAGO, ILLINOIS

Brownfields 201 - Capital Stack and Funding Strategy

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Stack & Sequence:

Strategically Using Multiple Funding Sources for Brownfield Redevelopment

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What to Expect for the Next 2 Hours

PART 1 – Funding and Precursor Information

- Introduction and workshop overview
- Attracting Private Investment + Unsolicited Advice to Local Government
- Categories of Funding Sources
- Funding for the Entire Lifecycle of Brownfield Redevelopment
- Lifecycle of Brownfield Redevelopment + Value Creation

PART 2 – Stack & Sequence

- Stack & Sequence Concepts
- Generic Stack & Sequence Chart

PART 3 – Group Exercise



We Want to Hear Your Feedback

Please provide feedback on today's event:

- ❖ Click this link
https://kstate.qualtrics.com/jfe/form/SV_bl8vGkh1YPIQwQK
- ❖ Scan this QR image from your smartphone

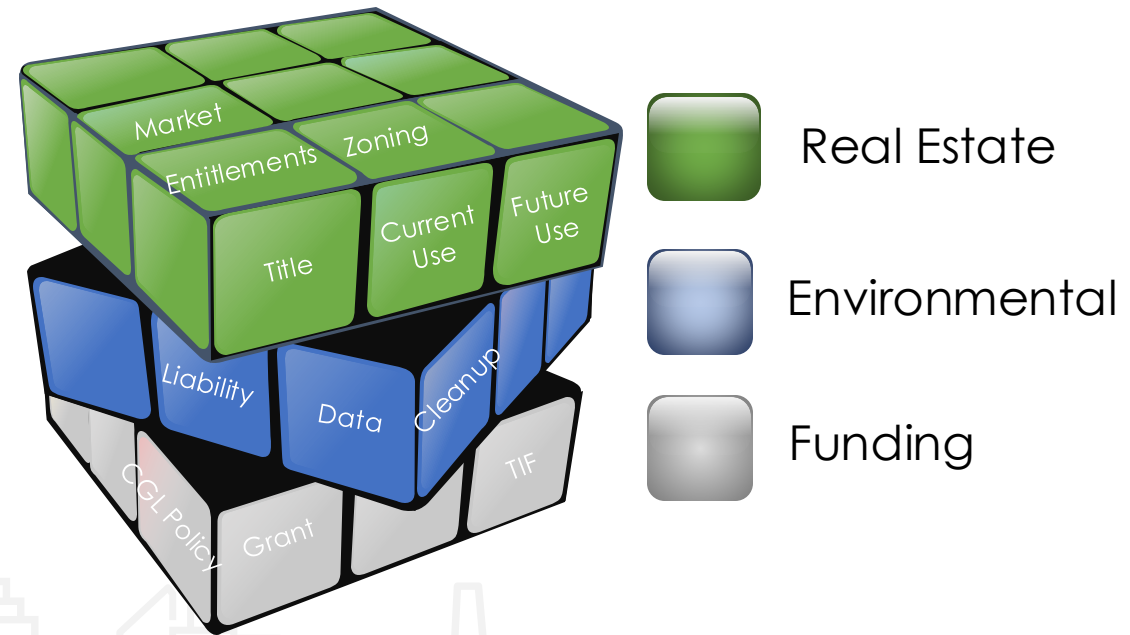


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Who's Your Trainer?

Eric Williams

- >35 years at the intersection of real estate, environmental, and funding
- Advisor to public and private clients on redevelopment of environmentally-challenged areas and sites
- 15 years as a developer of (only) Brownfield properties
- Project Director and National Partner for Brownfields for SCS Engineers



What You'll Come Away With

Identification Funding sources

- Categories and specific sources

Uses of various funding sources

- How/when to use them

How to use multiple sources for a project

- Stack & Sequence concepts and application

Comfort

- Build your own funding chart

Contacts

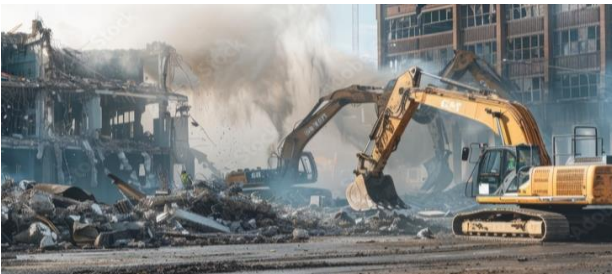
- Help after you leave this room



Opportunities for Local Government to Promote Redevelopment Attracting Private Investment

Developers/Investors want 4 primary things:

- 1 Knowledge of environmental conditions
- 2 Reduction of environmental liability
- 3 Comfort in manageability
- 4 Financial help



Funding/Environmental Liability Management

- Community-wide Brownfield assessments
- Site-specific site assessments
- Demolition/cleanup/site preparation
- Tax increment financing
- Empowerment zones, CDBGs, etc
- Streamlined entitlements
- Entitlement incentives

Property Control & Pre-development

- Acquisition of challenged sites
- Land bank
- Horizontal Development
- Institutional controls

Planning

- Specific Plans
- Land plans and vision docs

Deal making

- public-private partnerships
- Developer outreach and deal making

Categories of Funding Sources

Brownfield-Specific

EPA grants & loans
State grants

Federal Programs

22 Federal agencies
Tax credits & incentives

Private

Responsible party
General liability insurance
Investment/development

01

02

03

04

05

State Programs

Grants & loans
Tax incentives

Local Vehicles

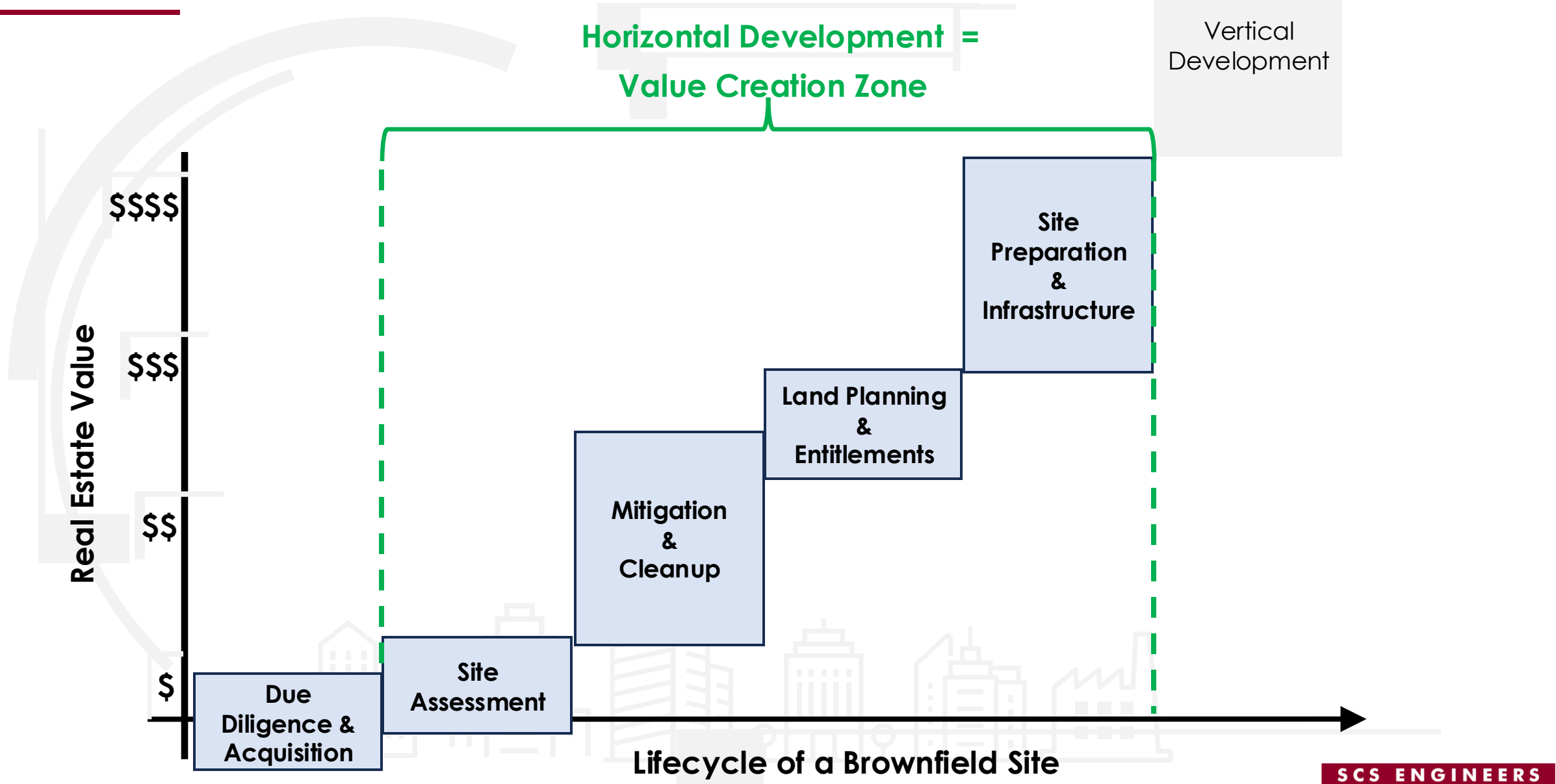
Tax Increment
Financing
CDBGs
Special districts

Funding Sources for the Entire Lifecycle



Value Creation for Brownfield Sites

Lifecycle of Brownfield Site Redevelopment



Categories of Funding Sources

Brownfield-Specific

01

EPA*



State/Local Grants & Loans*

- 45 states have brownfield funding programs
- Most trickle down EPA money



Categories of Funding Sources

Brownfield-Specific

01

Lessons Learned from EPA and State Grants

- Get help with applications! So many tips to be successful
- Grant administration is tricky and offers great opportunities and a few pitfalls – get help



Categories of Funding Sources

State Non-Funding Brownfield Programs

- Mostly Tax incentives
- End-use incentives (e.g., solar)
- California Housing and Community Development
- New York Brownfield Cleanup Program Tax Credits
- Colorado Remediation Tax Credit
- Massachusetts Brownfield Tax Credit
- Florida Voluntary Cleanup Tax Credits
- Maryland Brownfields Revitalization Incentive Program
- North Carolina Property Tax Exclusion



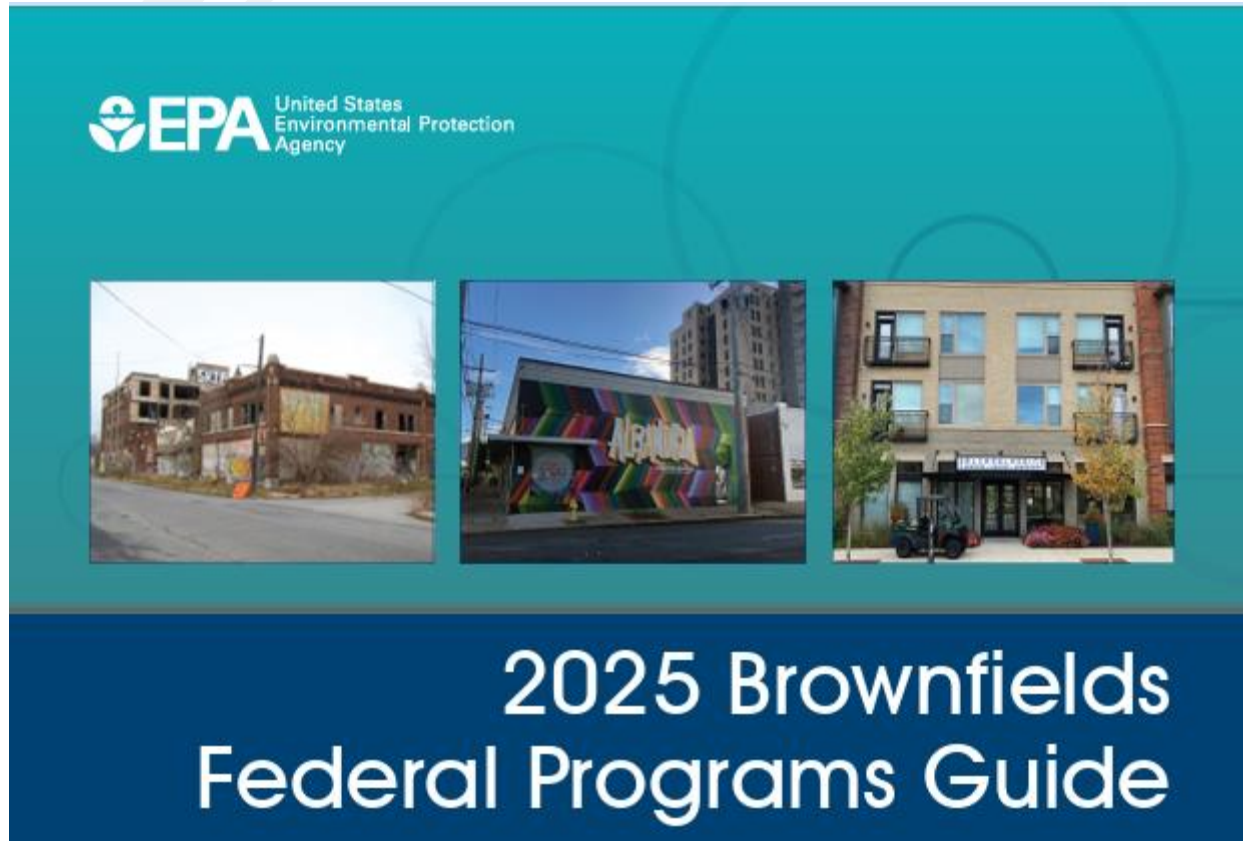
State Programs



Categories of Funding Sources

Federal Programs

03



22 Federal Agencies Have “Brownfield” Programs

- Mostly end-use incentives

Categories of Funding Sources

Tax Increment Financing*

- 49 States have TIF
- State law, local implementation

Special Districts*

- Typically for utilities/infrastructure
- Tax/assessment based



Local Vehicles



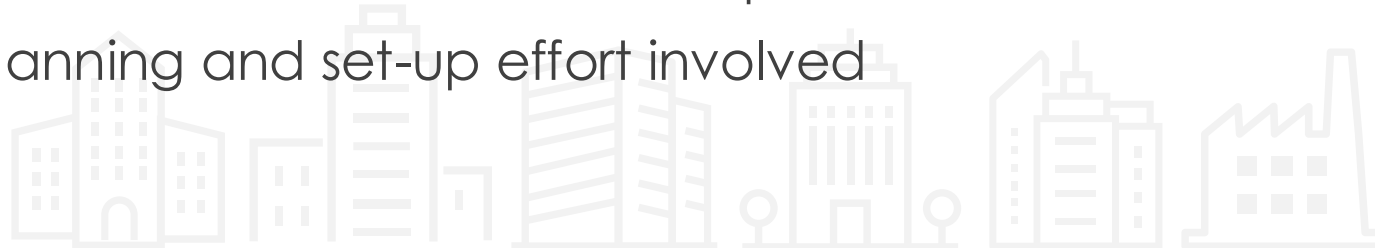
Tax Increment Financing



Local Vehicles

$$\begin{array}{r} \text{Future Projected Property Tax} \\ - \\ \text{Current Property Tax} \\ = \\ \text{Increment} \end{array}$$

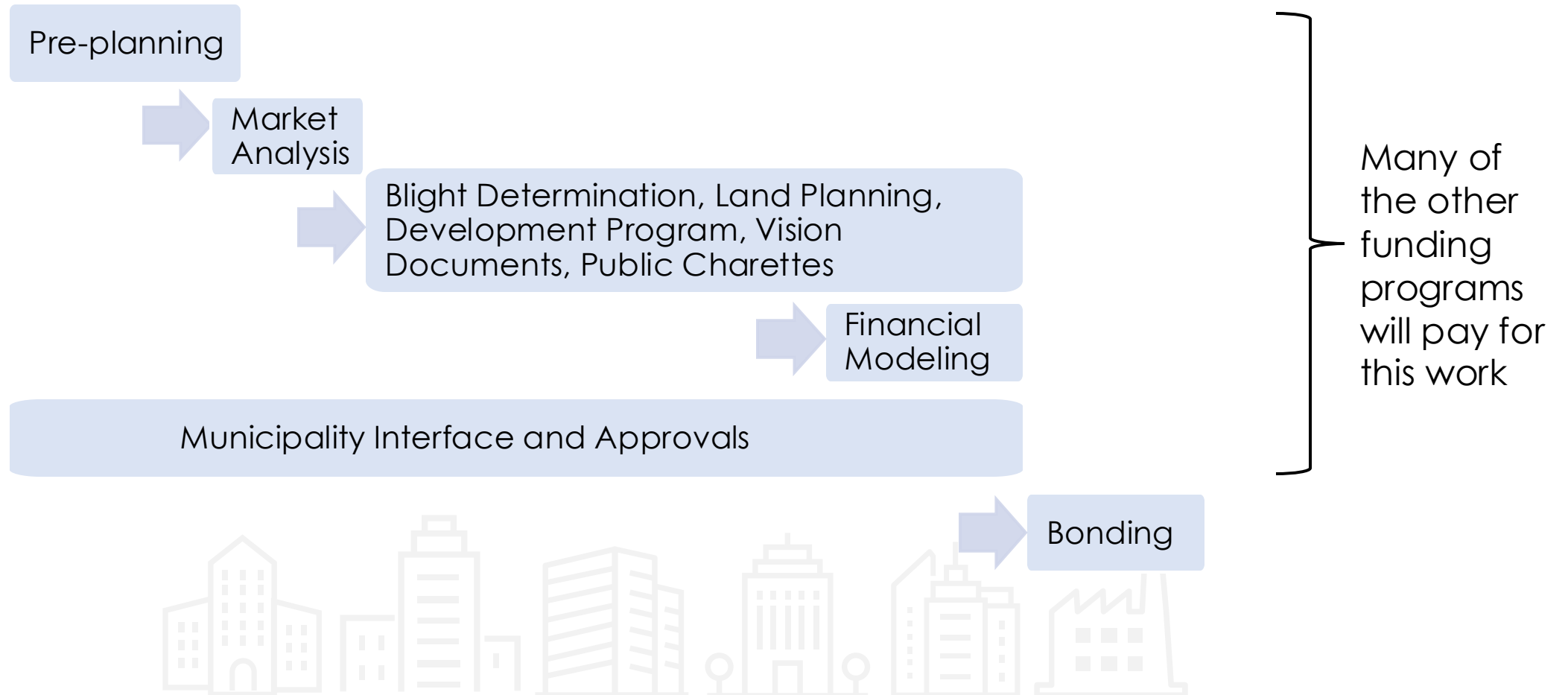
- 49 states + have some version of TIF
- “Self-funding” to established TIF district
- Municipality forms or supports (give up future taxes)
- Future increment can be bonded in advance
- Money can be used for horizontal development costs
- Significant planning and set-up effort involved



Tax Increment Financing



Local Vehicles



Categories of Funding Sources

- CGL Insurance Policies*
- Responsible party contributions
- Private/developer investment

Private

05



Categories of Funding Sources

Private

05

- Mostly pre-1986 All Pollution Exclusion
- Very common to have the policies
- Not easy, but often quite viable (and ignored)
- Cooperation by policy holder required
- Get help
 - Hire firm that specializes on spec (~40%)
 - Attorney/consultants
- Require it of reticent landowners?



Categories of Funding Sources

Private

05

Find Policies

Evaluate Viability

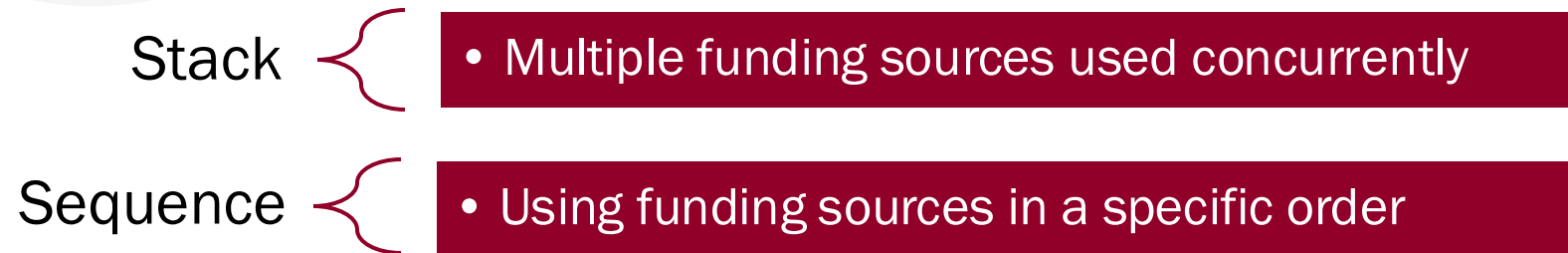
Make Claim, Negotiate

Settle

Many of the other funding programs will pay for this work



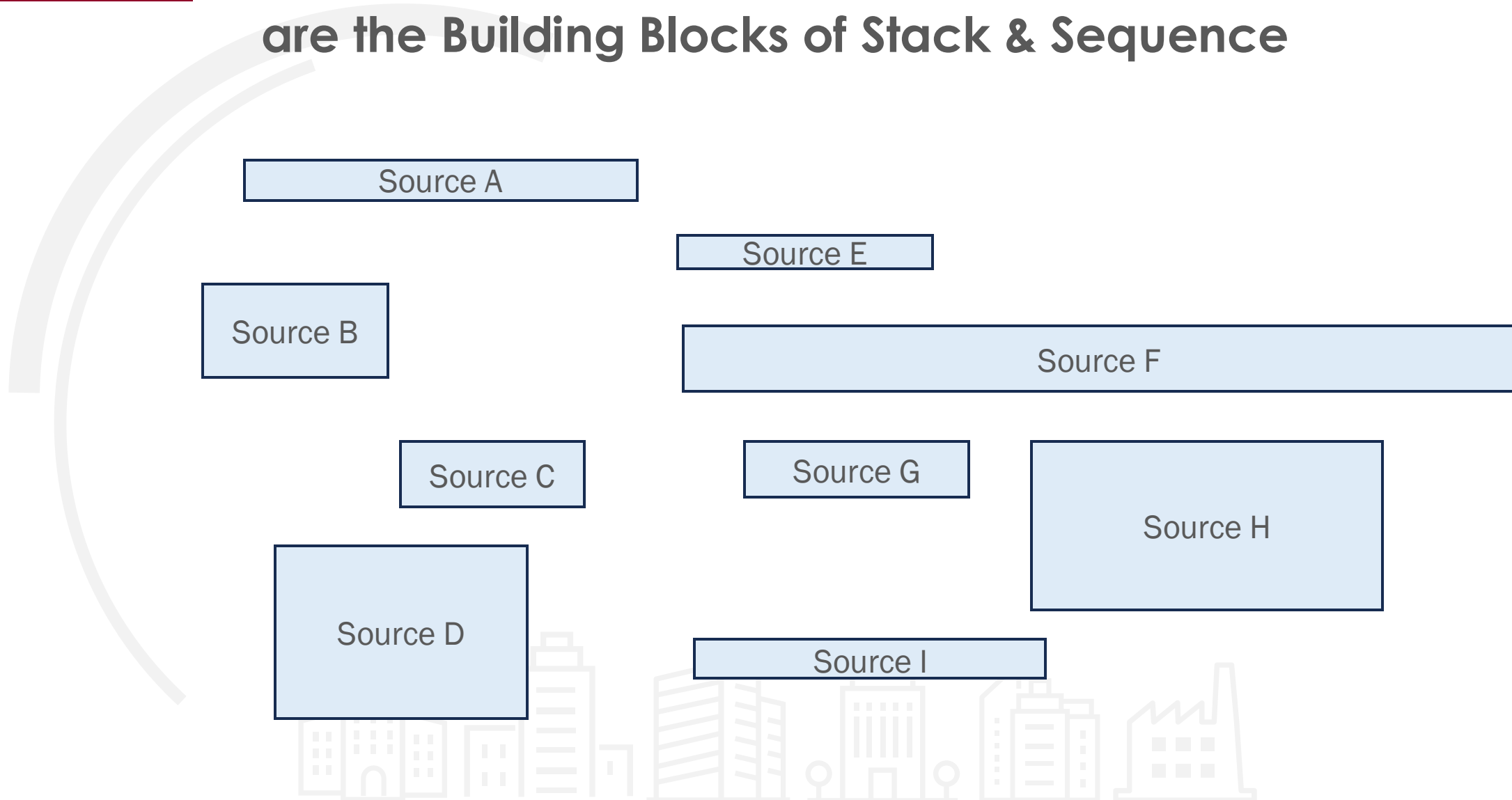
Stack & Sequence Concepts



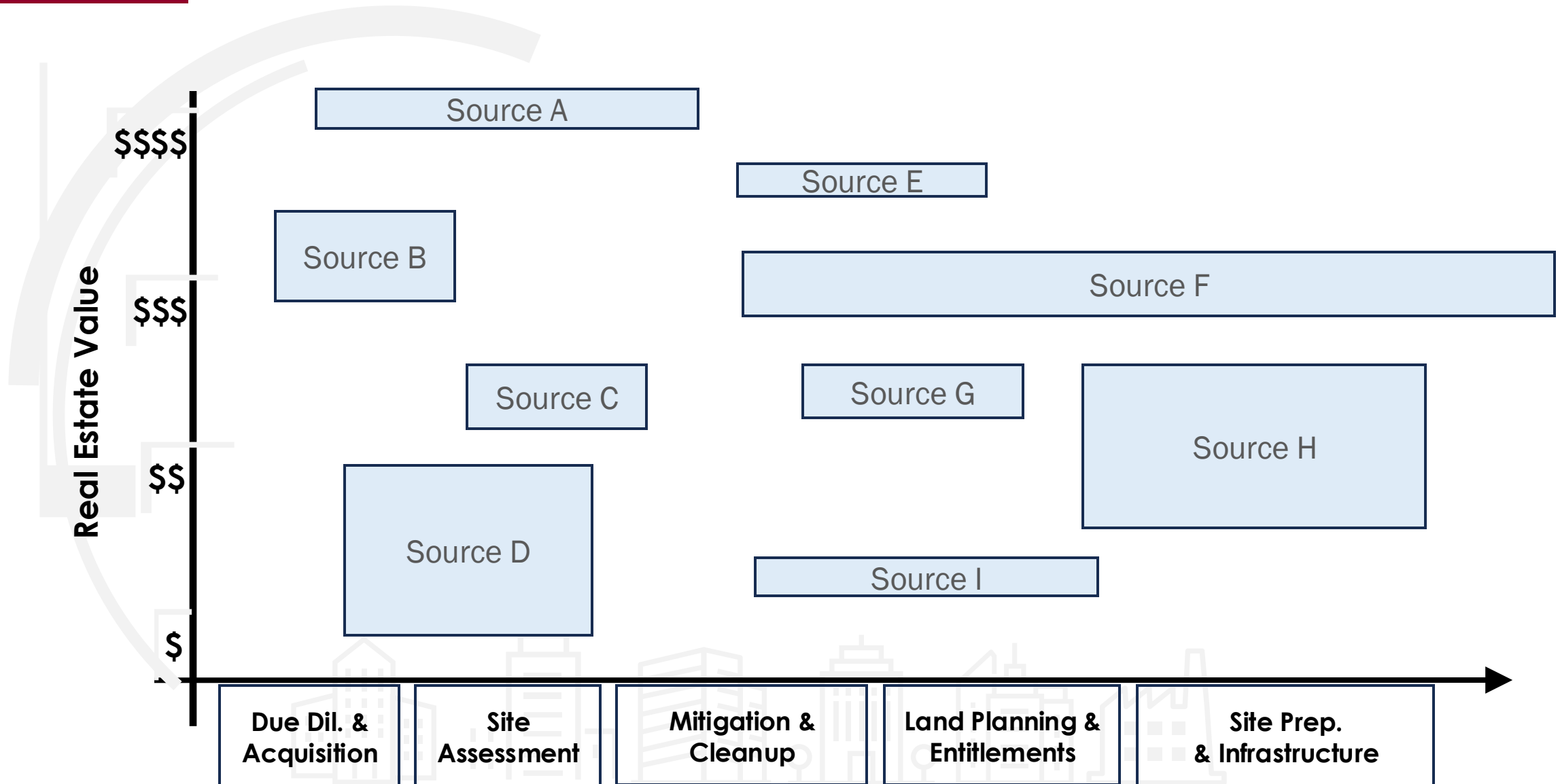
- Funding sources can and should be stacked
- Sequencing matters and requires planning and forethought
- Stack & Sequence applies to sites as well as broader areas
- Successful redevelopment projects are looked at holistically

Individual Funding Sources...

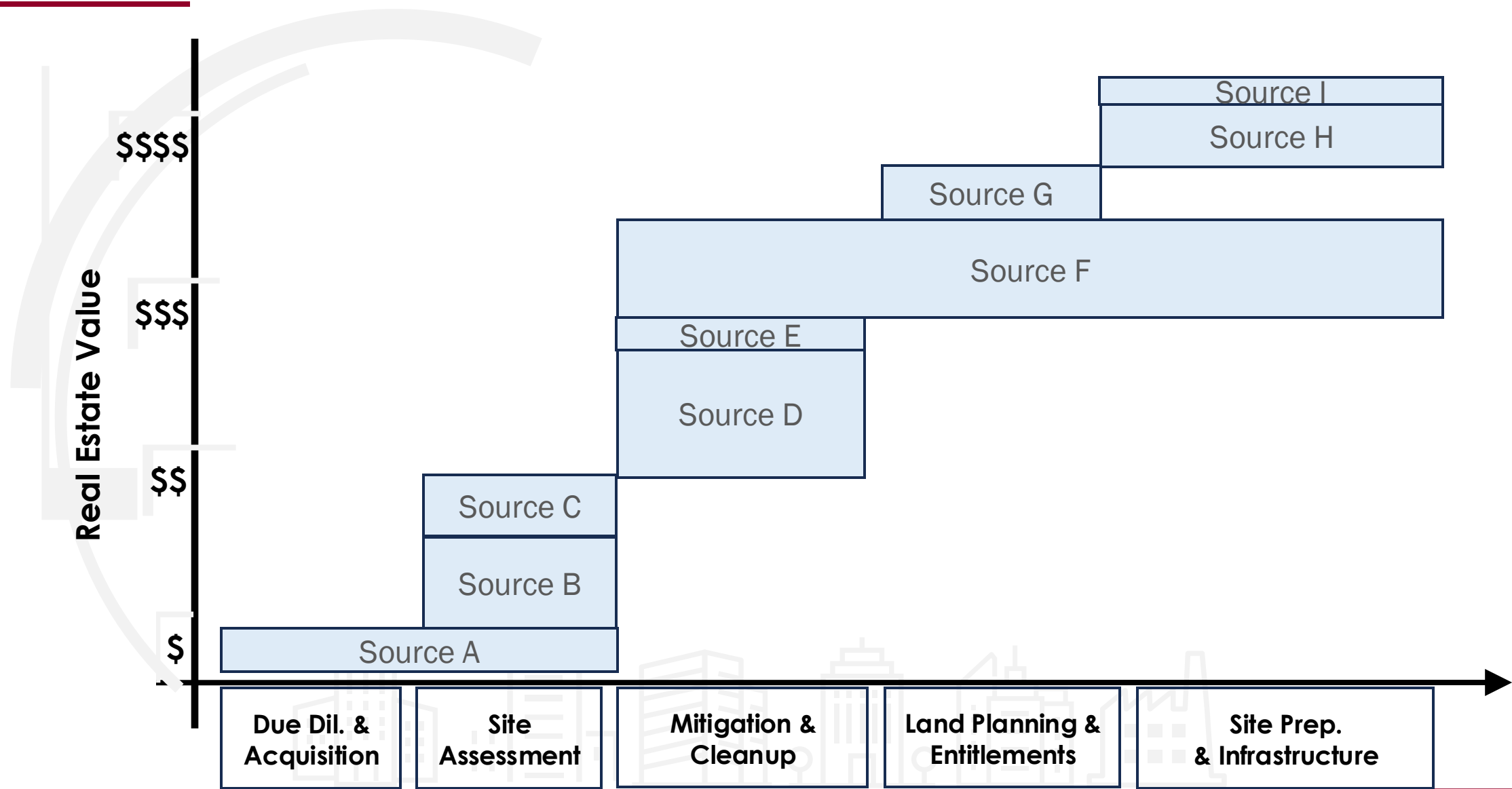
are the Building Blocks of Stack & Sequence



Matching Funding Sources with a Project



(Generic) Stack & Sequence Chart



Stack and Sequence | Example 1: Blighted Area, Municipality Lead

The city of Our Town USA has a blighted area with multiple properties suspected of being contaminated, but little is known about the property's environmental conditions. Some properties are abandoned. One of the major properties that anchors the area is the Acme manufacturing business that has been in operation for decades and is shutting down operations. Our Town and the local community stakeholders wish to see the area cleaned up and redeveloped. The owner of the Acme manufacturing facility wishes to sell the property but is worried about their environmental liability. There has been heavy developer interest in the area, but they're concerned about inheriting environmental liability.

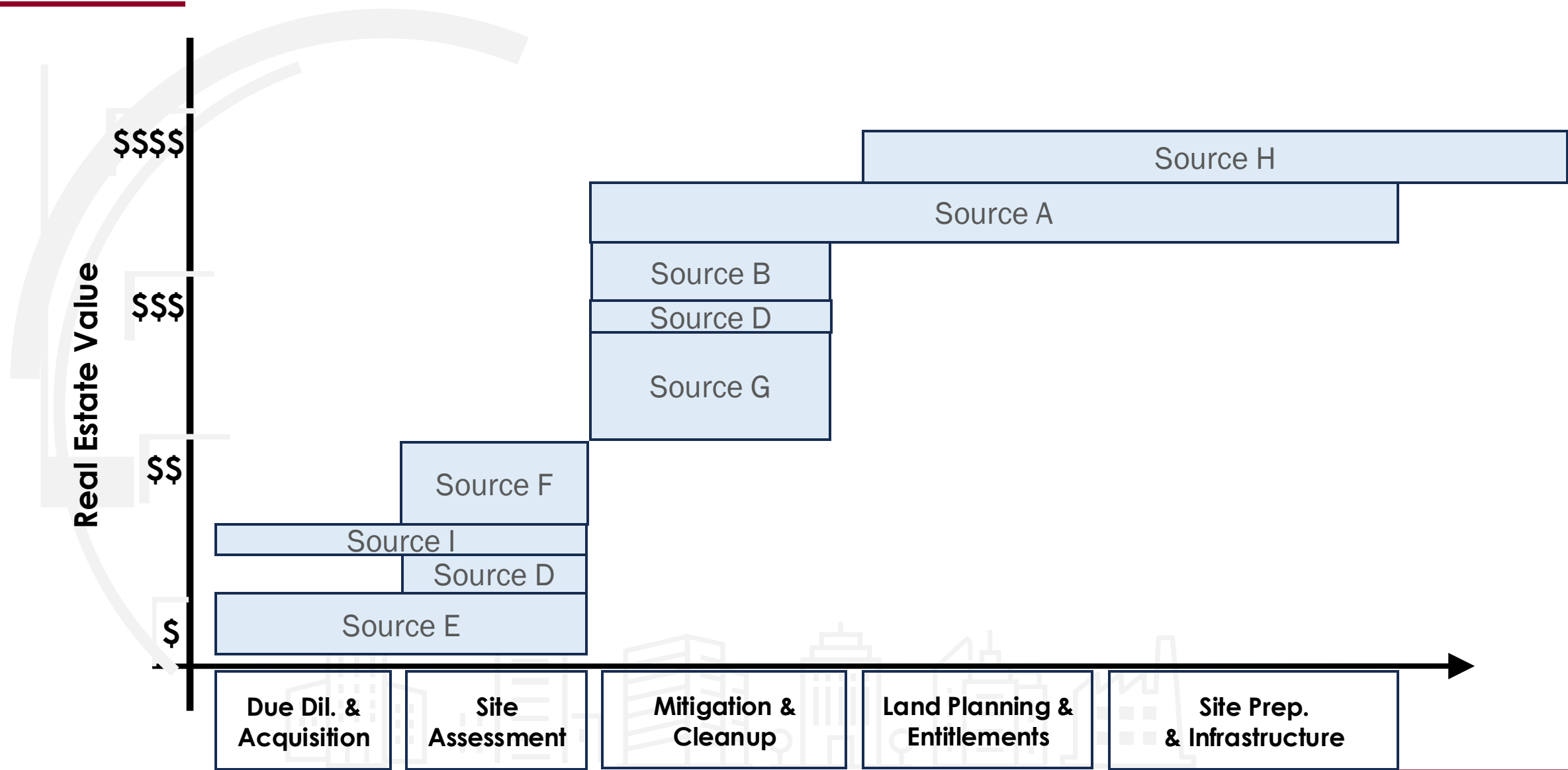
Our Town takes the lead on redevelopment of this area.

Stack and Sequence | Example 1: Blighted Area, Municipality Lead

Potential Sources:

- A. Tax increment financing
- B. CGL Insurance proceeds
- C. Utility district
- D. Local government investment (x2)
- E. EPA Community-wide assessment grant
- F. State site-specific assessment grant
- G. EPA cleanup grant
- H. Developer investment (x2)
- I. 128a grant
- J. State Revolving Loan Fund

Stack & Sequence Chart – Example 1

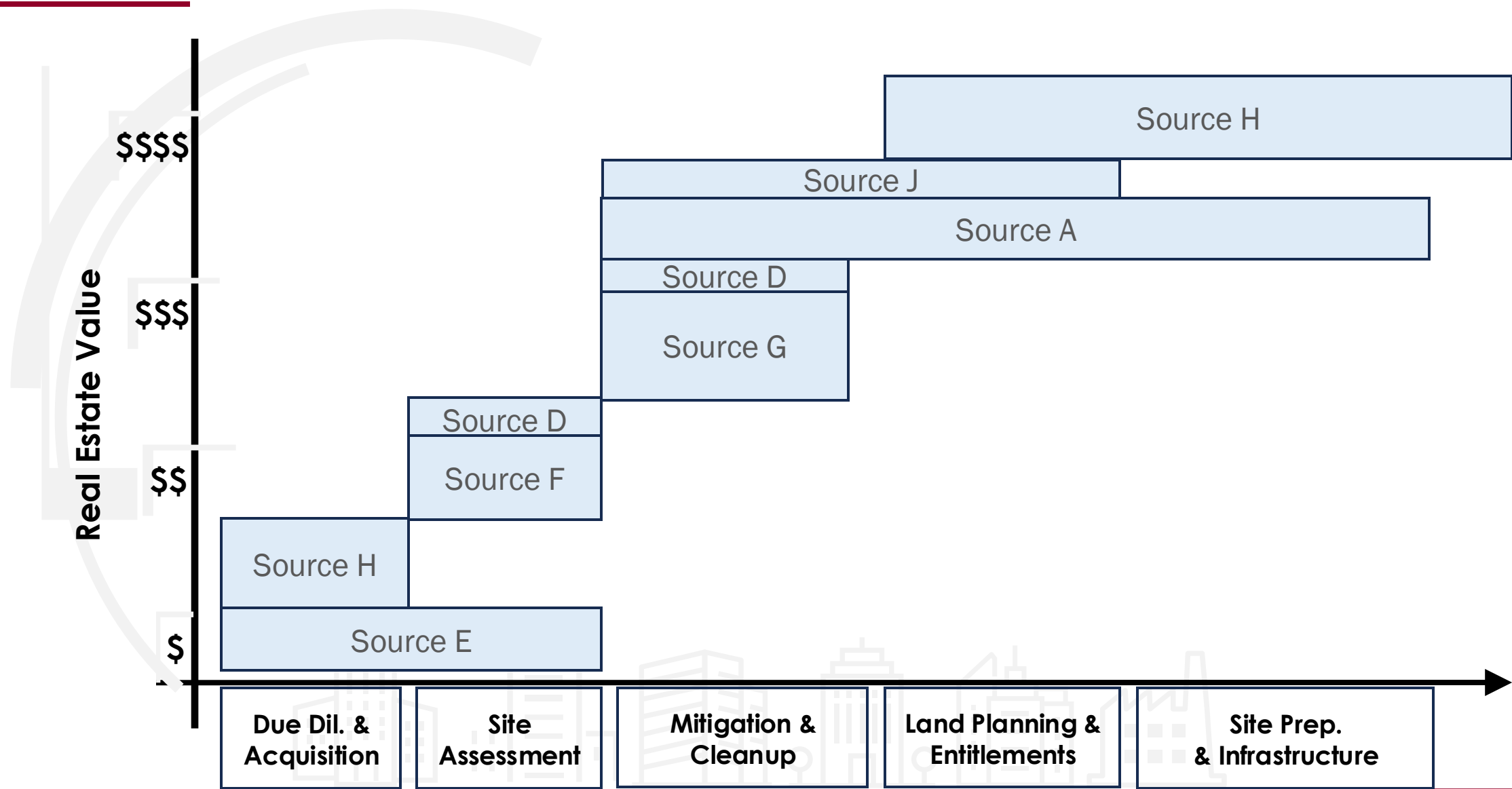


Stack and Sequence | Example 2: Single Site, Affordable Housing Lead

The city of Our Town USA identified a blighted area they wanted to see redeveloped. The city started this scenario through assessment and clean-up work. Along the way, an affordable housing developer, HousingCo, identified a site within the blighted area that they want to develop. A partnership was formed between the Our Town and HousingCo, and multiple financing and service partners were added to the team. The city has a progressive Brownfield program and wants to help. The city and developer were able to engage multiple city, state, and federal agencies to help fund development to be placed alongside private investment.

Our Town and HousingCo take the lead on redevelopment of this site.

Stack & Sequence Chart – Example 2



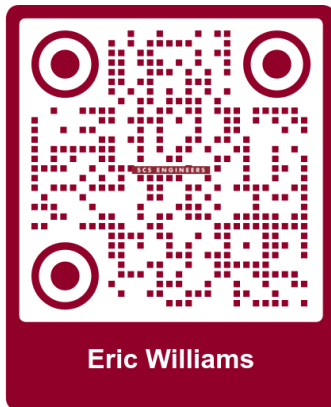
For more help and information...



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Tell Me Your Story...

Up to 1 hour consultation and advice session

- During the conference text me to set up a time.
- After the conference call or email me to set up a time.

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