

Financial Issues Committee**Meeting #2 Minutes**

April 16, 2014, 1-3 p.m.

Waukesha State Office Building

141 NW Barstow St., Room 314 - Waukesha WI

Call-in option was also available

ATTENDEES

John Antaramian, EC Corp; Tory Kress, City of Milwaukee; Chris Valcheff, True North Consultants; Jenna Soyer, DNR; Barry Ashenfelter, DNR.

AGENDA ITEM #2: (Review questions from previous meeting)

In reply to questions raised by committee members at the previous meeting, Barry: a) Shared information provided by DNR's office of management and budget regarding Clean Water Fund debt repayments and tipping fee revenue; b) Shared some ideas on how the RR program could possibly utilize one flexible state funded account for grants/loans/reimbursements relating to site investigations and cleanups; c) Distributed a memo titled Possible Sources of Revenue to Fund the Political Subdivision Grant Program for Investigation and Remedial Action, created by Legislative Council attorney Bill Ford in Dec. 1994; d) Discussed business improvement districts, property assessed clean energy programs, and tax credits available for environmental remediation.

AGENDA ITEMS #3-5: (Discuss funding needs, possible changes and ideas)

John informed the group that the committee would be focusing on identifying and quantifying specific fiscal needs of the statewide brownfields program, and not attempting to define where the funds could come from. He indicated that the committee would likely express general support for stabilization of the environmental management account and devote its time to outlining the sub-programs and activities that need funding.

Chris moved that the minutes from the previous meeting be approved. Tory seconded the motion. The minutes were approved.

John expressed his interest in a one-stop-shop concept for grant/loan/reimbursement funding. He said he believes DNR should focus on providing brownfield remediation and redevelopment funding for local governments. He directed staff to identify what RR has now in terms of grant/loan/reimbursement programs, and how it plays out.

Chris said he felt a funding gap exists between what DNR and WEDC provide money for. He said the gap mostly impacts the disposal of low-level contaminated soil on private sites, which WEDC is less likely to fund.

Chris said that a one-stop fund would be much different than a PECFA fund or DERF, and should have some efficiencies and benefits. He said there is not always a good way for private sector investors/developers to team up with a local government on a brownfield project. He said it would be good if these partnerships could be created and act more like a joint venture. Maybe a project could be sponsored by a local government and grant funding could flow through to the private developer. He said a fair amount of EPA brownfield grants get spent doing paperwork for the grantee.

John mentioned an idea about giving local governments marketable environmental credits that they could sell and use to help fund brownfield work. He talked about situations where a factory shuts down and creates a brownfield property.

Any environmental credits this business owned/had prior to shutting down would transfer to the local government. The LGU could sell these credits and use the money to remediate and redevelop the property.

Tory indicated this was an interesting idea, and might be a way to create a revenue stream for municipalities. She also mentioned mobile source pollution credits and wondered if local governments could get these credits for rehabilitating brownfield properties, due to reduced vehicle trips, etc. However, the group was not sure what type of environmental credit market currently exists in Wisconsin. John directed staff to investigate this issue.

John and Tory said they felt that business improvement districts (BIDs) were typically small in scale and would not likely be interested in funding brownfield cleanups.

John directed staff to provide information at the next meeting on environmental remediation tax credits and other tax incentives currently available in Wisconsin and other states.

The group discussed the idea of the state capitalizing local government revolving loan funds that could be made available to private developers for brownfield cleanup and redevelopment. Tory noted that Milwaukee's RLF has worked well.

Chris mentioned that New Jersey has a natural resources damage assessment, for over-permit releases, historic contamination, etc., that raises money and can be used for environmental enhancement projects. He also brought up the idea of possibly charging a fee for conditional closures. He also brought up the idea of charging tipping fees at quarries.

Relating to financial needs for brownfield efforts, Chris said he thought that gets many more requests for grants than they are able to fund. He also feels that some projects don't bother to apply because of the program requirements.

John directed staff to contact WEDC for information on their grant programs, including the number of unfunded applicants.

Tory said it seems like it's usually a little easier to get public funds for environmental assessments than it is for cleanup work, including demolition and asbestos abatement. She felt that more funds for cleanups would be helpful. Meeting adjourned.

Action Items	Decision/Recommendation	Dissenting Opinions
None		

Assignments	Timeframe	Person(s) Responsible
Memo on existing RR grant/loan/reimbursement accounts, and thoughts on one flexible account	Before next meeting	Barry, Jenna
Memo on tax credits and incentives	Before next meeting	Barry
Memo on existing environmental credits, trading and marketability	Before next meeting	Jenna
Ideas on how LGUs and private developers can better team up on projects	Before next meeting	Jenna
Research NJ natural resources damage assessment	Before next meeting	Barry
Contact WEDC about their grant programs	Before next meeting	Barry
Memo on property assessed cleanups	Before next meeting	Barry

NEXT MEETING

April 30, 1:00 – 3:00 p.m.

Waukesha State Office Building

141 NW Barstow St. -- Room 338 A&B in the West Building

Waukesha WI 53188

Call-in Option:

Dial-In: 1 (866) 244-1377, Passcode: 6768 325#