



### Remediation and Redevelopment Program

## Wisconsin Ready for Reuse Program Petroleum Loans & Grants

*Ready for Reuse* is a Wisconsin Department of Natural Resources (DNR) program that offers grant and loans to local governments and non-profits to help clean up environmental contamination at brownfields.

The DNR receives funding for this program through U. S. Environmental Protection Agency (EPA) Revolving Loan Fund grants.

### Petroleum Funding

Loan and grant funds can be used for eligible costs incurred during the grant or loan agreement period for cleanup of contamination from petroleum or petroleum products commingled with hazardous substance.

Funds may not be used for expenses that are eligible for reimbursement through the Petroleum Environmental Cleanup Fund Act (PECFA) or the Agricultural Chemical Cleanup Program (ACCP).

The total amount of available petroleum funding changes frequently. For current information, check the Ready for Reuse web page at: [dnr.wi.gov](http://dnr.wi.gov), search “Ready for Reuse”.

### Loans

All loans are zero-interest and are generally awarded for projects that require amounts of \$250,000 or more. Loan amounts are subject to available funding.

### Grants

The maximum grant amount is \$200,000 per site. Grants will be awarded to projects that can be completed in two years. Grant applicants must own the property.

### Financial Requirements

Loan and grant applicants must provide a minimum of 22 percent of the requested funds as a match contribution. Other state or local (but not federal) grants may be used as match, provided that the grant and loan periods overlap, the grants are for eligible cleanup activities and those activities will be incurred during the same time period.

### Required Criteria

To be eligible for petroleum funding through the Ready for Reuse Program and receive priority funding, all the following criteria must be met:

- The site must meet the federal definition of an “eligible brownfield site.”** The project “site” may be made up of separate legal properties, or part of one property. See the DNR’s Ready for Reuse web page for additional information.
- Grants: The applicant must be an eligible governmental entity, tribe (or other eligible tribal entity) or an eligible non-profit organization.**
- Loans: The applicant must be an eligible governmental entity.**

- If applying for a grant, the applicant must own the site.**
- The applicant must not have caused the contamination on the site, and must meet the liability criteria on page three of this fact sheet.**
- Cleanup is for petroleum contamination only** (or for petroleum products co-mingled with hazardous substances, where the petroleum products are the main contaminants of concern).
- The Wis. Admin. Code ch. NR 716 Site Investigation, for the site is complete, and has been at least submitted to the DNR.** Higher preference is given to those approved by the DNR.
- The applicant has secured financing in place to complete the cleanup and redevelopment.**
- A municipal resolution authorizing the governmental entity to apply for and receive Ready for Reuse funding has been passed (not applicable to non-profits).**
- A borrower or grantee is prepared and able to complete quarterly tracking forms for the Ready for Reuse Program, to meet federal and state reporting requirements.**

## **Eligible Sites**

The site must meet the federal definition of an eligible brownfield, which is “real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.” For more information on sites that need property-specific determinations, or sites that are never eligible for brownfields funding, visit the DNR’s Ready for Reuse web pages.

## **Eligible Applicants**

### **Grants**

The following entities are eligible to apply for Reuse for Reuse grants:

- general purpose unit of local government, including the following:
  - county, city, town, or village;
  - redevelopment authority under Wis. Stats § 66.1333;
  - community development authority under Wis. Stats § 66.1335;
  - housing authority under Wis. Stats § 66.1201; and
  - any local public authority (including any public and Indian housing agency under the United States Housing Act of 1937), school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under State law), any other regional or interstate government entity, or any agency or instrumentality of a local government;
- tribe, or other eligible tribal entity under 40 CFR 31.3; and
- non-profit organization (for the purposes of the brownfields grant program, the term “nonprofit organization” means any corporation, trust, association, cooperative, or other organization that is operated mainly for scientific, educational, service, charitable, or similar purpose in the public interest; is not organized primarily for profit; and uses net proceeds to maintain, improve, or expand the operation of the organization; nonprofit organizations exempt from taxation under Section 501(c)(4) of the Internal Revenue Code that lobby are not eligible for EPA grant funding).

## Loans

Only a “municipality,” as defined in Wis. Stats. § 67.01(5), may apply for a Ready for Reuse loan.

### Municipal Obligations for Loans

To be approved for a Ready for Reuse loan, a municipality must agree to issue an obligation authorized under one of the following provisions of Chapter 67 of the Wisconsin Statutes as security for the Ready for Reuse loan:

1. **A general obligation Promissory Note issued under Wis. Stats. § 67.12.(12).**
2. **A Note Anticipation Note issued under Wis. Stats. § 67.12(1)(b)2.** which provides as follows:
  - Any municipality may issue municipal obligations in anticipation of receiving proceeds from brownfields revolving loan program loans or grants under the program described in s. 292.72 if the municipality has received written notification from the department of natural resources that the department intends to distribute such proceeds to the municipality. The obligation shall be repaid within 10 years after the original date of the obligation, except that the obligation may be refunded one or more times. Any refundings shall be repaid within 20 years after the original date of the original obligation.

## Applicant Liability

- The grant or loan recipient must not have contributed to or exacerbated contamination.
- There must be no persons responsible for the contamination that are both subject to an unresolved environmental enforcement action, an unresolved judgment, or an unresolved suit and have ability to pay for the cleanup.
- There must be no federal enforcement action under the Resource Conservation & Recovery Act (RCRA), obligation under the federal Oil Pollution Act (OPA), or use of federal leaking underground storage tank (LUST) funds at the site.
- There must be no viable responsible party that can address the petroleum contamination at the site.

**Please note:** *The DNR must make an eligibility determination for sites contaminated by petroleum or petroleum products before a grant or loan can be awarded for cleanup. An application to request an eligibility determination can be found at: [dnr.wi.gov/topic/brownfields/documents/pedform.pdf](http://dnr.wi.gov/topic/brownfields/documents/pedform.pdf)*

## Eligible Activities

The following eligible costs can be paid for only during the DNR-approved loan or grant period.

- **Cleanup actions.** Includes actions associated with removing, mitigating or preventing the release or threat of a release of a hazardous substance, pollutant, contaminant or controlled substance into the environment (e.g. air, land or water).
- **Preparation/Finalization of the Remedial Action Plan.**
- **Demolition or Site Preparation.** Only if necessary to implement a remedial action plan (RAP), and only if the demolition is required to access contaminated soils beneath a structure. Demolition must be pre-approved by the DNR and EPA.
- **Asbestos Abatement or Lead Mitigation Costs.** Only if a necessary component of a pre-approved demolition.
- **Short-term Site Monitoring.** Includes reasonable and necessary sampling and analysis during the cleanup process and determining the final effectiveness of the cleanup.
- **Environmental Consulting Fees.** Includes only those fees necessary to implement the cleanup.

- **Public Participation Costs.** Includes any costs associated with meeting community involvement requirements, worker health and safety activities and interagency coordination.
- **DNR Fees.** Includes fees for the review of cleanup plans and activities, including fees for the Voluntary Party Liability Exemption (VPLE), under Wis. Admin. Code chs. NR 749 or 750.

***Please Note:** All eligible activities must be conducted starting AFTER the recipient signs a financial agreement with the DNR and receives written approval from the DNR to begin work. In some situations, the DNR and the EPA may give pre-authorization for certain activities to take place. Work closely with the DNR on the timing of any project-related activities.*

## **Ineligible Activities**

- Site Investigation and Phase I or II environmental assessments.
- Cleanup of hazardous substance contamination (unless commingled with petroleum products).
- Demolition (and associated asbestos abatement or removal) that is not necessary to access the contaminated area in order to conduct the cleanup activities.
- Administrative costs, such as appraisal costs, meals, meeting costs, application costs and contingencies.
- Acquisition or relocation costs.
- Development costs that are not remedial activities.
- Public improvements or infrastructure costs.
- Expenses imposed by other regulatory programs (e.g. site erosion control plans, stormwater management, etc.) that are not related to the cleanup.
- Cost of compliance with any federal law, excluding compliance with laws applicable to the cleanup.
- Legal fees.

## **Restrictions on Demolition and Asbestos Abatement**

Funds from the Ready for Reuse program may only be used by a grantee or borrower for demolition activities that are necessary to implement a remedial action plan and only if the demolition is required to access contaminated soils beneath a structure. Asbestos abatement activities may be eligible for funding when asbestos removal is a necessary component of a pre-approved demolition. Notify the department immediately to re-verify eligibility if the remedy requiring demolition changes during the design/implementation phase. All demolition and asbestos abatement activities must be pre-approved by the DNR and the EPA.

## **Applications**

There is no deadline to apply for Ready for Reuse funding. However, it is highly recommended that you meet with DNR staff prior to submitting an application. Use Ready for Reuse - [Hazardous Substance Loan and Grant Application \(Form 4400-238\)](#) to apply. Contact Gena Larson (608-261-5404, [gena.larson@wisconsin.gov](mailto:gena.larson@wisconsin.gov)) to discuss your project.

## **Contact Information**

Contact Gena Larson at 608-261-5404 or [gena.larson@wisconsin.gov](mailto:gena.larson@wisconsin.gov) with any questions about the Ready for Reuse program.

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