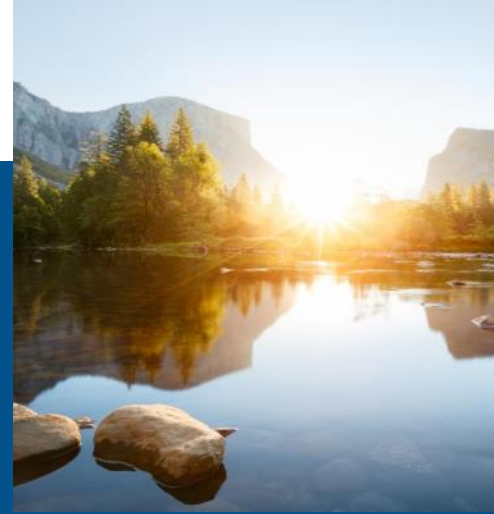


# REDEVELOPING PETROLEUM BROWNFIELDS OPPORTUNITIES WITHIN YOUR STATE!



BRANDON KINGSBURY AND JASON SEYLER

MT DEQ BROWNFIELDS COORDINATORS

JANUARY 30, 2018

*How to effectively operate within the limits of EPA's Brownfields  
Guidance.*

# Brownfields Innovations Unique To Montana

1. Revised Petroleum Brownfields Eligibility Guidance
2. Leveraging the Petrofund
3. Brownfields within NPL sites
4. Department Organization

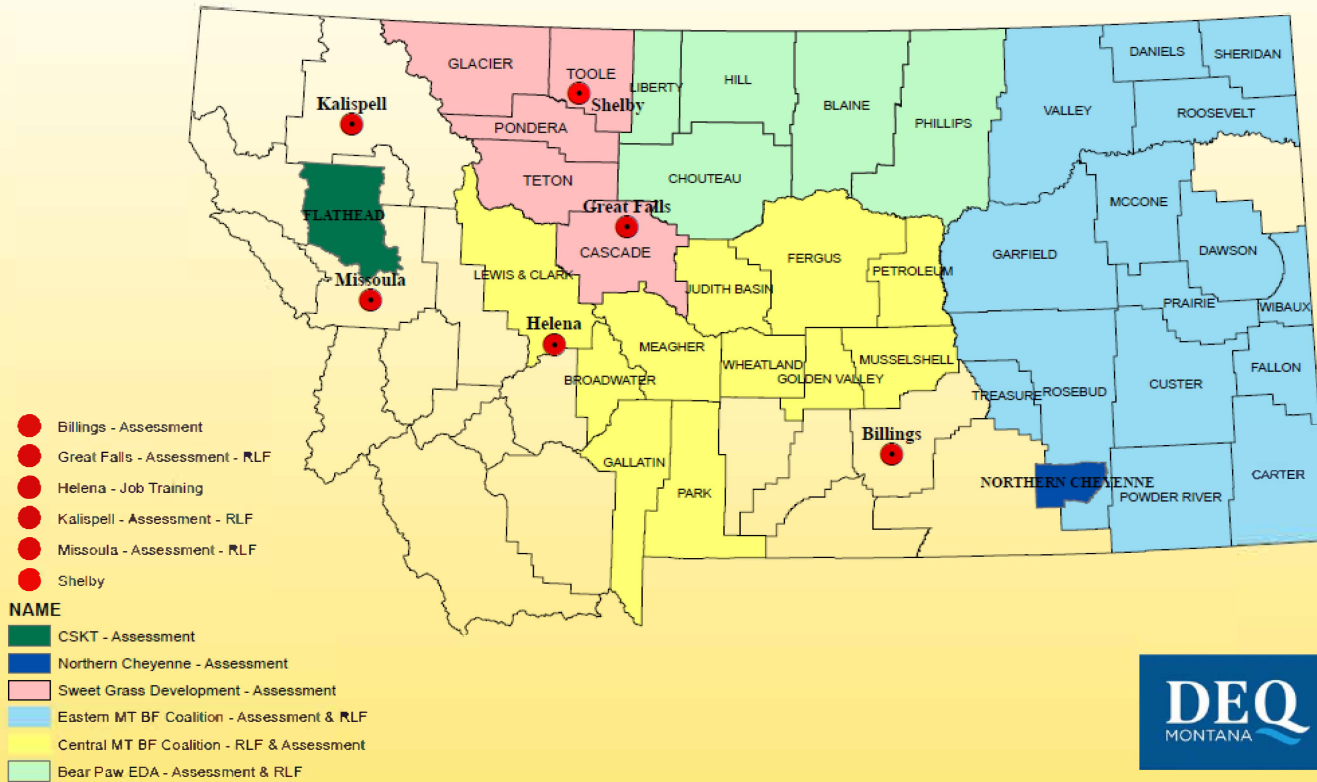


# Know What You're Getting Into!



# MT BROWNFIELDS GRANTEES

## Brownfields Grant Recipients in Montana



# Historical Barriers to Petroleum Brownfields

- ▶ EPA's Responsible Party definition:  
"current and immediate past owner"
- ▶ Lack of real estate turnover in rural and urban areas.
- ▶ Assessment and cleanup costs often exceeded property values.





# Eligibility Barriers

The problem with “current and immediate past owner” aka “two-removed”.



Current Owner



# Eligibility Barriers

The problem with “current and immediate past owner” aka “two-removed”.



Past Owner

Current Owner

# Fiscal Year 2018 EPA Brownfields Assessment Application Guidelines

- ▶ “Please note that states may, but are not required to, use this guidance to determine whether sites contaminated by petroleum or petroleum products are eligible for brownfields grant funding. States may apply their own laws or regulations, if applicable, to eligibility determinations under this section.” (Appendix 1, Page 59)





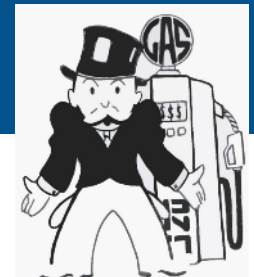
# DEQ's Petroleum Brownfields Eligibility Improvements

Created practical eligibility criteria without absolving RPs of their responsibility.

1. The death of "two removed".
2. Allowing a prospective purchaser to become eligible.

Without giving it all away!

1. No Active gas stations
2. Historic gas stations must be repurposed as a different use than as a fuel dispensing operation.



# LEVERAGING THE POTENTIAL OF THE PETROFUND

Insurance Policy



Total Coverage of



but with a deductible of...



< \$20,000

# BROWNFIELDS/PETROFUND SYNERGY



- Petrofund Reimbursement vs Allocation to Copay
- Using Petrofund as a Guarantor for Brownfields RLF Loans
- Bridging funding gaps and providing assurances.

# HOW TO MAXIMIZE THE PETROFUND?



**\$200,000**



**\$50,000**



**\$50,000**

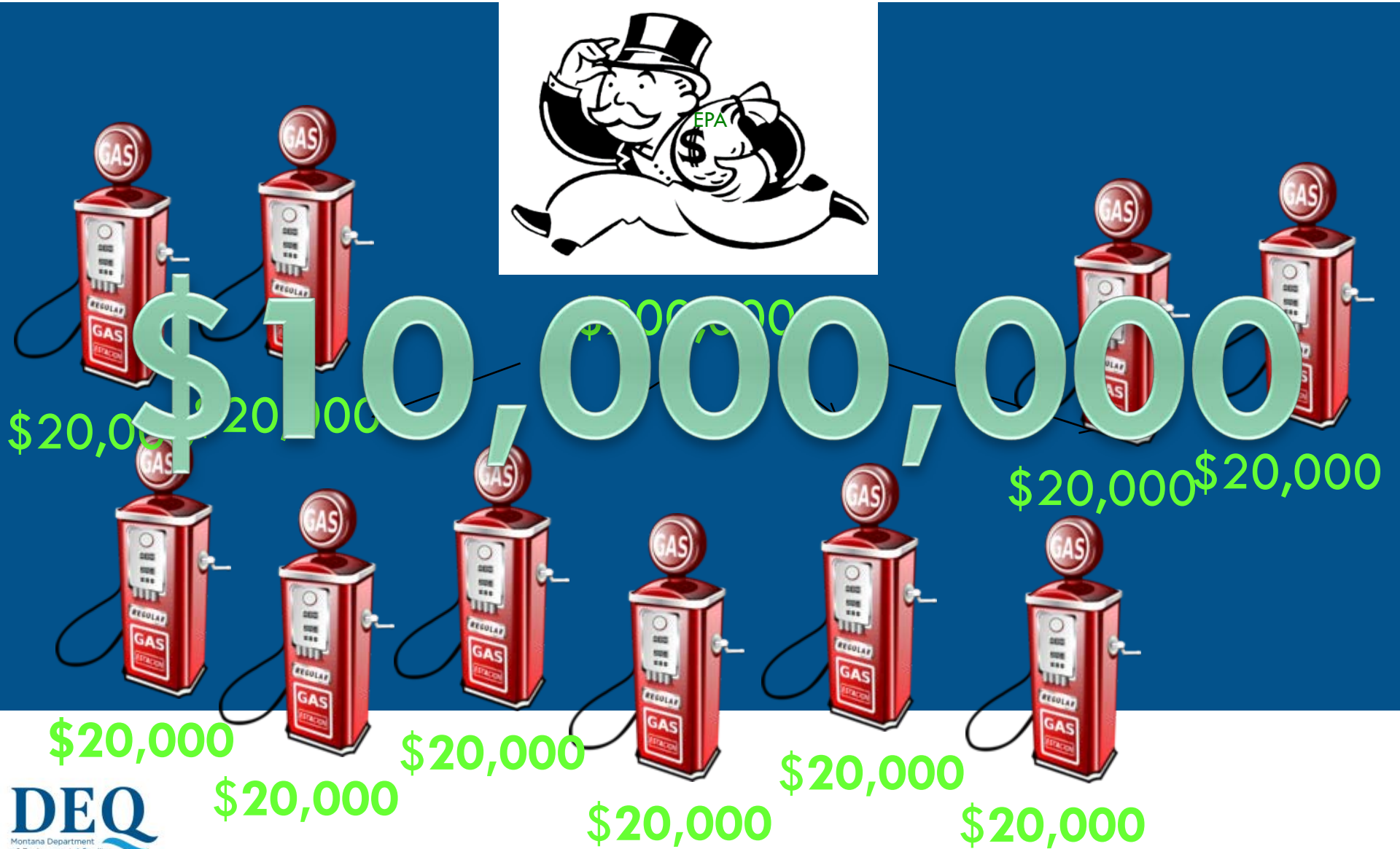


**\$50,000**



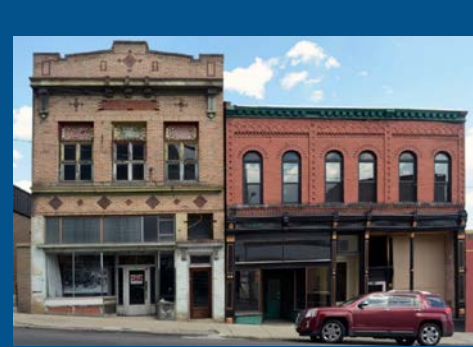
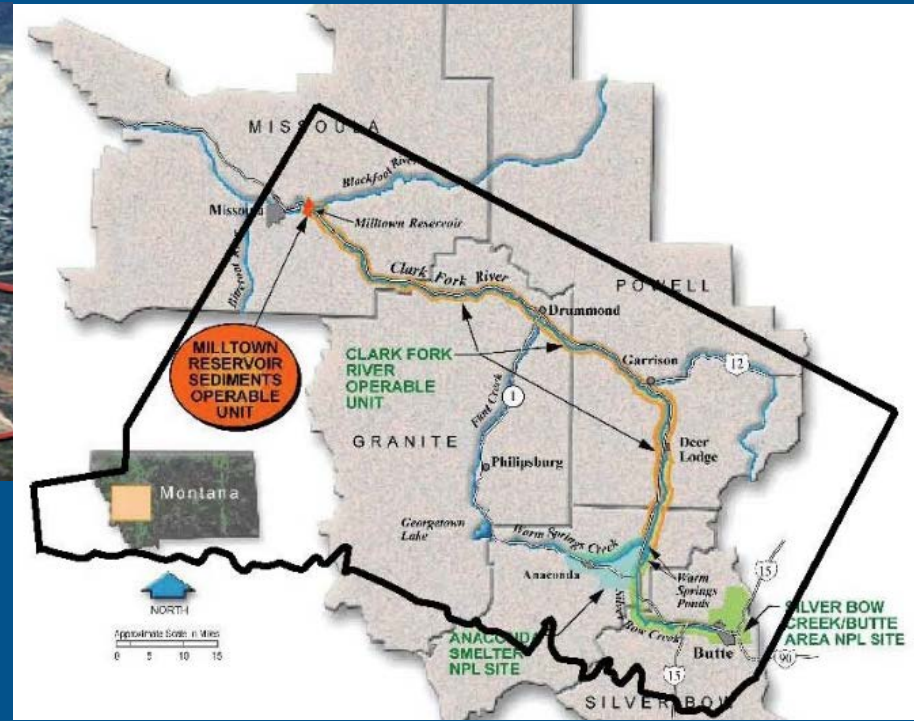
**\$50,000**

# HOW TO MAXIMIZE THE PETROFUND?





# THE SUPERFUND PROBLEM: MONTANA SIZED OPERABLE UNITS



# BROWNFIELDS ORGANIZATIONAL IMPROVEMENTS

Solitary Confinement



Petroleum BF Coordinator

Imbedding within LUST Program



to

# REAPING THE BENEFITS

- Reinvigorating stalled LUST sites.
- Coordinating with LUST Trust Program
  - Inability to pay
  - RP change.
- Coordinating with UST program.
- A resource for leveraging the Petrofund.
- Offering the “Last Chance” before enforcement.



# FIVE TYPICAL BROWNFIELDS SCENARIOS

- Never been assessed
- Tanks pulled in the 80s
- Owner unable to pay
- Tanks Leaked
  - Copay not met
  - Copay met
- Tanks gone, site cleaned, NFA letter issued





# BROWNFIELDS SUCCESSES

## Appleton Furniture – Helena, Montana





# BROWNFIELDS SUCCESSES

Former Auto Service Station— Great Falls, Montana



# KNOWING WHAT YOU ARE GETTING INTO!



# MT DEQ Brownfields Team

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- Resources not regulators
- A guided approach through eligibility, assessment, and cleanup.
- Funding and Environmental Expertise