



**Wisconsin Economic Development Corporation
Program Guidelines for Fiscal Year 2023**

Program Name: Brownfields Grant Program
Program Inception: 1997 Wisconsin Act 27
Lead Division: Business and Community Development
 New **Revised**
 Aid **Pass-thru Aid** **Technical Assistance**

Program Goal:

The goal of the Brownfields Grant Program is to support community re-development in the state of Wisconsin.

Program Description:

Under the program outlined in § 238.13, Wis. Stats. WEDC will grant funds to local governments, businesses, non-profits and individuals for redeveloping commercial and industrial sites that have been adversely impacted by environmental contamination.

Eligibility Requirements:

Definitions:

- “Brownfields” means abandoned, idle or underused industrial or commercial facilities or sites, the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination.¹
- “Brownfields redevelopment” means any work or undertaking by a person to acquire a brownfields facility or site and to raze, demolish, remove, reconstruct, renovate, or rehabilitate the facility or existing buildings, structures, or other improvements at the site for the purpose of promoting the use of the facility or site for commercial, industrial, or other purposes. “Brownfields redevelopment” does not include construction of new facilities on the site for any purpose other than environmental remediation activities.²
- “Economically Distressed” means a county or municipality so designated by WEDC by considering the most current area and state data available for the following indicators:
 - Unemployment rate
 - Percentage of families with incomes below the poverty line
 - Median family income
 - Median per capita income

¹ Wis. Stat. § 238.13(1)(a).

² Wis. Stat. § 238.13(1)(b).

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- Average annual wage
 - Manufacturing assessment values by county
 - Other significant or irregular indicators of economic distress – such as a natural disaster, or plant closings and layoffs
- “Environmental remediation activities” means investigation, analysis and monitoring of a brownfields facility or site to determine the existence and extent of actual or potential environmental pollution; abating, removing or containing environmental pollution at a brownfields facility or site; or restoring soil or groundwater at a brownfields facility or site.³
 - “Opportunity Zone” means a designated qualified opportunity zone in the State of Wisconsin under Internal Revenue Code § 1400Z-1.

The Applicant:

Any individual, partnership, limited liability company, corporation, nonprofit organization, city, village, town, county, or trustee, including a trustee in bankruptcy,⁴ may apply for funds provided that the party that caused the environmental contamination and any person who possessed or controlled the environmental contaminant is unknown, cannot be located or is financially unable to pay for the remediation of the soil and / or groundwater.⁵

Phase I and Phase II Environmental Reports must be completed no greater than five years prior to the application submittal date, unless:

- Subsequent environmental reports and site ownership history provide sufficient information to demonstrate current environmental conditions; or
- The applicant demonstrates that no activities likely occurred on the site since the Phase I and Phase II that would adversely impact the environmental conditions.

Prior to contracting, the applicant must have obtained WDNR assistance in, or comments on, the planning and implementation of an environmental investigation or the environmental cleanup of a property through WDNR Technical Assistance services.⁶

Qualified Uses:

Brownfields funds may be used for brownfield redevelopment or associated environmental remediation activities.⁷ Grant funds may typically be used for the following activities:

- The environmental investigation, remediation and/or monitoring of the site
- The removal of hazardous waste containers
- Soil removal, capping, barrier installation and vapor intrusion systems
- Demolition activities that will facilitate redevelopment in a brownfield project

³ Wis. Stat. § 238.13(1)(d).

⁴ Wis. Stat. § 238.13(1)(g).

⁵ Wis. Stat. § 238.13(2)(a)2.

⁶ Wis. Stat. § 238.13(5).

⁷ Wis. Stat. § 238.13(2)(a)(1); Wis. Stat. § 238.13(1)(b); Wis. Stat. § 238.13(1)(d)



The recipient may not use the grant to pay lien claims of DNR or the federal Environmental Protection Agency based on investigation or remediation activities or to pay delinquent real estate taxes or interest or penalties related to those taxes.⁸

Investment Matching:

The matching investment for requested grant funds is derived from the following activities:

- The acquisition cost of the brownfield site up to 50% of the total acquisition cost, except for a project located in distressed counties or an opportunity zone, for which 100% may be used as match.
- Site clearance, building demolition or building renovation
- Asbestos and lead paint abatement
- Infrastructure improvements

Activities ineligible for grant assistance or match include but are not limited to:

- Past costs
- Indirect construction costs (a.k.a. “soft” costs)
- Costs of new construction, including geopiers or other foundational support systems

Grant Criteria:

WEDC may take the following into account when considering a Brownfields award:

- The potential of the project to promote economic development in the area⁹
- A written financial commitment¹⁰ by a lending institution or government entity to the applicant enabling the project to reach fruition
- Documentation of ownership or future ownership of the project site by the submittal of the most recent executed real estate transaction
- The extent and degree of soil and groundwater contamination at the project site¹¹
- The need for a vapor intrusion system
- The adequacy and completeness of the site investigation and remediation plan¹²
- The eligible costs projected to be utilized for grant funds and matching investments in the application’s budget are supported by estimates from qualified and independent third parties clearly demonstrating how project costs were derived
- The determination of the future higher use of the property as it will impact the extent of the environmental clean-up
- Project consistency with community planning documents and whether a developer’s agreement was concluded
- The favorable impact of the project on human health and the environment

⁸ Wis. Stat. § 238.13(2)(a)1m

⁹ Wis. Stat. § 238.13(3)(a)

¹⁰ Wis. Stat. § 238.13(3)(c)

¹¹ Wis. Stat. § 238.13(3)(d)

¹² Wis. Stat. § 238.13(3)(e)



- The size of the property and its relationship to the downtown area and economic centers of the community
- Whether the project is located in an Economically Distressed community
- The project demonstrates involvement of diverse businesses, including women and veteran-owned contractors, in eligible project costs
- Any other factors considered by WEDC to be relevant to assessing project readiness and viability

Incentives and Available Funding (FY23): \$2,500,000

The recipient shall contribute matching funds equal to at least 50% of the grant.¹³ Due to program demand, generally WEDC requires a minimum of 3:1 in matching investment(s), unless the project is located in an Economically Distressed community or Opportunity Zone, in which case the investment(s) may be reduced to a 1:1 match.

The maximum award generally does not exceed \$250,000 unless the request for funds is for a project that, due to the size of the brownfield and the degree and extent of contamination, clearly justifies an award beyond normal parameters.

Activities and Expected Outcomes:

Assist ten communities or businesses and achieve a 40:1 leverage of other investment.

Performance Reporting:

Recipients will be required to annually submit a performance report documenting capital investment, environmental remediation, assessed taxable property values, as well as any other contract deliverable.

WEDC annually selects awards on a sample basis for an audit. All backup documentation to the performance report is required to be maintained for the life of the award.

WEDC may impose additional reporting requirements to evaluate project performance and to ensure compliance with contract deliverables.

Application and Award Process:

The Brownfields Grant Program has a continuous application process. Applicants for Brownfields Grants should complete an application through an Account Manager. The completed application will be assigned to an underwriter and go through the award review process. All awards will be made in consultation with the DNR¹⁴.

For more information on application review, internal process, and award distribution, please refer to WEDC's award administration policies and procedures.

¹³ Wis. Stat. § 238.13(2)(b)3

¹⁴ Wis. Stat. § 238.13(5)

Revision History:

Effective Date	Description of Change
7/1/2017	Aligned environmental conditions reporting requirements to DNR standard practices
7/1/2017	Clarified activities ineligible for grant assistance or match
7/1/2018	Clarified requirements for Phase I and Phase II Environmental Reports
7/1/2018	Decreased match requirement for projects located in a Designated Rural County
7/1/2018	Removed Tribal entities as eligible program applicants in accordance with § 238.13(1)(g)
7/1/2019	Added statutory definitions and citations; decreased match requirement for projects in an Opportunity Zone; clarified performance reporting requirements
7/1/2020	Clarified matching funds requirement
7/1/2021	Replaced Designated Rural County with Economically Distressed; added consideration for diverse businesses; decreased maximum grant amount
7/1/2022	Adjusts match requirements



PROGRAM REVIEW:

This document has been reviewed by the following parties (Check all that apply):

- Chief Operating Officer
- Chief Legal Officer
- Chief Financial Officer
- Other _____

Senior VP Strategic Investment and Policy: _____
enter a date.

Date Click or tap to

Division Vice President: _____

Date Click or tap to enter a date.

AUTHORIZED APPROVAL:

CEO or Designee: _____

Date Click or tap to enter a date.