



Brownfield Grant Program

Program Guidelines for Fiscal Year 2025

Lead Division: Business and Community Development

New Revised 7/1/2024
 Grant Loan Tax Credit Technical Assistance

Introduction

Background Information: Under the Brownfield Grant 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.

Program's Purpose: The program assists in the redevelopment process of commercial and industrial sites in need of environmental remediation and where no viable causer is known.

Eligibility Requirements

Eligible Applicants: Brownfield applicants must meet the following criteria:

- Be an individual, partnership, limited liability company, corporation, nonprofit organization, city, village, town, county, or trustee – including a trustee in bankruptcy.¹
- 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.²
- Provide a Phase I and Phase II Environmental Reports 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 Phase I and Phase II that would adversely impact the environmental conditions.
- Prior to contracting, the applicant must have obtained Wisconsin Department of Natural Resources (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.³

Eligible Use of Funds: Brownfield Grants can fund the following Brownfield Redevelopment

¹ Wis. Stat. § 238.13(1)(g)

² Wis. Stat. § 238.13(2)(a)2

³ Wis. Stat. § 238.13(5)



or associated Environmental Remediation Activities.⁴ Costs are only eligible to be applied to grant and matching fund expenses after WEDC approval.

- 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.

Ineligible Use of Funds: Activities ineligible for program assistance or match include, but are not limited to:

- Lien claims of DNR or the federal Environmental Protection Agency based on investigation or remediation activities.⁵
- Delinquent real estate taxes or interest or penalties related to those taxes.⁶
- Indirect construction costs (a.k.a. "soft" costs).
- Costs of new construction, including Geo piers or other foundational support systems.⁷

Matching⁸: The applicant must provide matching funds in an amount of 3:1 of the Brownfields Grant being requested. In any of the following circumstances, the matching funds requirement is reduced to 1:1:

- The project is located in an Economically Distressed or Rural Community.
- The project is located in an Opportunity Zone.
- A municipality applies without a secured or defined private development if the redevelopment goal is defined in a municipal approved plan or municipal resolution, the source of the match is municipal funds, and the redevelopment is non-industrial.
- A key component of a secured/defined development is to provide childcare services or expand housing availability.

Costs to which matching funds may be applied include the following activities:

- The acquisition cost of the brownfield site up to 50% of the total acquisition cost, except for a project located in a Rural Community, Economically Distressed County 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.

Available Incentives

FY25: \$2,000,000

⁴ Wis. Stat. § 238.13(2)(a)(1); Wis. Stat. § 238.13(1)(b); Wis. Stat. § 238.13(1)(d)

⁵ Wis. Stat. § 238.13(2)(a)1m

⁶ Wis. Stat. § 238.13(2)(a)1m

⁷ Wis. Stat. § 238.13(1)(b)

⁸ Wis. Stat. § 238.13(2)(b)3 [due to program demand, the matching funds requirement is set higher than the statutory minimum of 50% of the grant amount].



Award Sizes: The maximum Brownfield Grant may not exceed \$250,000.

Award per Applicant: One brownfield grant per site.

Activities and Expected Outcomes

Assist 10 communities or businesses and achieve a 40:1 leverage of other investment.

Impact: Move contaminated properties with no known viable causer/ payor to a state of development ready status, where the environmental condition is known. This allows communities to redevelop sites with economic or community development potential that are or may be adversely impacted by environmental contamination.

Metrics: Program metrics include, but are not limited to:

- Leverage – Total.
- Capital Investment.
- Taxable Property Value.
- Site Work – Remediation/Environmental Clean Up.
- Site Work - Property Acquisition, if applicable.
- Site Work - Site Investigation, if applicable.
- Site Work – Demolition, if applicable.

Application Guideline

Timeline: The Brownfields Grant program has a continuous application process.

Review Considerations: WEDC may take the following into account when considering a Brownfield Grant:

- The potential of the project to promote economic development in the area.⁹
- 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 site.¹¹
- The need for a vapor intrusion system.
- The adequacy and completeness of the site investigation and remediation plan.¹²
- 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

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)



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.
- The size of the property and its relationship to the downtown area and economic centers of the community.
- Whether the project is in an Economically Distressed community.
- The project demonstrates involvement of diverse businesses, including women and veteran-owned contractors, in eligible project costs.
- Alignment with Community Economic Development Strategy (CEDS) / Economic Development District (EDD) plan for the region.
- Any other factors considered by WEDC to be relevant to assessing project readiness and viability.

How to Apply: An interested applicant should contact a WEDC Account Manager to determine if their project is right for the program. Upon review of the project, and alignment with eligibility criteria, an applicant will be invited to submit their application through Network Wisconsin.

Award Process: The completed application will be assigned to a WEDC underwriter and go through the award review process. All awards will be made in consultation with the WDNR¹³.

Performance Reporting: Recipients must annually submit a performance report documenting capital investment, environmental remediation, assessed taxable property values, and any other contract deliverable.

WEDC annually selects awards on a sample basis for an audit. All backup to the performance report and financial records are required to be maintained by the Recipient for a period of at least three (3) years after the last performance report is due.

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

Helpful Information

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.¹⁴

¹³ Wis. Stat. § 238.13(5)

¹⁴ Wis. Stat. § 238.13(1)(a)



"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.¹⁵

"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
- 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.¹⁶

"Opportunity Zone" – means a designated qualified opportunity zone in the State of Wisconsin under Internal Revenue Code § 1400Z-1.

"Rural Community" - means a city, village, or town with population less than 5,000.

Revision History

Program Inception – 1997 Wisconsin Act 27 – Fiscal Year 1997.

- 7/1/2017: Aligned environmental conditions reporting requirements to DNR standard practices, Clarified activities ineligible for grant assistance or match.
- 7/1/2018: Clarified requirements for Phase I and Phase II Environmental Reports, Decreased match requirement for projects located in a Designated Rural County, 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.

¹⁵ Wis. Stat. § 238.13(1)(b)

¹⁶ Wis. Stat. § 238.13(1)(d)



- 7/1/2021: Replaced Designated Rural County with Economically Distressed; added consideration for diverse businesses; decreased maximum grant amount.
- 7/1/2022: Adjusted match requirements.
- 7/1/2024: Adjusted match reduced match requirements.