December 14, 2011

JOHN A. KITZHABER, MD  
Governor

The Honorable Ron Wyden  
Washington, D.C. Office  
223 Dirksen Senate Office Building  
Washington, DC 20510-3703

The Honorable Peter DeFazio  
Washington, D.C. Office  
2134 Rayburn Office Building  
Washington, DC 20515

The Honorable Jeff Merkley  
Washington, D.C. Office  
313 Hart Senate Office Building  
Washington, DC 20510

The Honorable Kurt Schrader  
Washington, D.C. Office  
314 Cannon HOB  
Washington, DC 20515

The Honorable Earl Blumenauer  
Washington, D.C. Office  
1502 Longworth House Office Building  
Washington, DC 20515

The Honorable Greg Walden  
Washington, D.C. Office  
2182 Rayburn House Office Building  
Washington, DC 20515

Re: EPA Brownfields Revitalization Funds are Critical

Dear Oregon Congressional Delegation:

The State of Oregon is aware of the fiscal challenges facing the federal government and acknowledges the importance of aligning spending with revenues—a process we are implementing in our state. However, federal brownfields grants for site assessment, revolving-loan funds, and contaminated site cleanup ("ARC" grants) are crucial in protecting Oregonians from environmental hazards. Moreover, they have also brought badly needed new businesses and jobs to our communities. At a time when job creation is a top priority in Congress and throughout the nation, we are concerned about the proposed 40 percent cut in the Environmental Protection Agency’s (EPA) FY 2012 brownfields budget. We advocate retaining the FY 2011 EPA brownfields funding level of $175 million at a minimum, with at least $100 million allocated to the critically important ARC grant program.

Since 2003, EPA’s brownfields program has helped Oregon communities clean up and reuse contaminated properties, turning abandoned and often hazardous sites into centers of economic revitalization. These funds have been particularly helpful in our rural areas, which have few resources to address blighted properties, given the long-term declines in wood products and other resource-based industries they used to depend on. Some diverse examples of how EPA grant funding has benefited Oregon are:

- **International Terminal, Newport** – $1.5 million in EPA revolving-loan funds to clean up two WWII-era ships forming the terminal’s docks is leveraging over $19 million in construction spending and a projected $27 million in regional economic development along Oregon's central coast.

- **Amy’s Kitchen, White City** – While it took several years for this redevelopment in rural southwest Oregon to move forward, after a $20,000 EPA-funded assessment of an abandoned military landfill, organic-foods processor Amy’s Kitchen built a $40-million plant there in 2006, which now employs 250 people.
• **Marsee Foods, Portland** – In 2010, a family-owned, wholesale bakery relocated to a vacant warehouse that was contaminated with petroleum and metals, and leveraged public investment (including $55,000 from an EPA grant to the City of Portland), by funding site remediation, remodeling the existing structure, and hiring new staff to expand company operations.

• **Sequential Biofuels, Eugene** – With EPA grant assistance, a small but growing company redeveloped an abandoned gas station into a biodiesel and ethanol-blend fueling station that opened in 2006, creating 10 new jobs, generating $4,000 in annual property taxes on a formerly tax-delinquent site, and incorporating many renewable energy design features.

According to a 2008 study by the Northeast-Midwest Institute ("Environmental and Economic Impacts of Brownfields Redevelopment"), every $1 of public funding to assess, clean up and prepare brownfields sites for redevelopment leverages about $20 from other sources. That’s an amazingly efficient economic driver. In Oregon, such leveraging of additional resources has led to a wide variety of redevelopment projects beyond the examples cited above, which in turn have enhanced local tax bases and created momentum for further investments and job creation.

Historically, EPA has been able to fund just 35 percent of brownfield grant applicants. As a result, the national need for brownfield investment grows each year in communities lacking the resources to address blighted and contaminated properties. Locally, our need is great, especially in rural counties with high unemployment and scarce resources. Oregon also faces a limited supply of industrial lands. A large portion of our properties designated industrial are also brownfields. Information from our state databases clearly demonstrates the need for this EPA funding. It lists over 4,000 known or potentially contaminated sites in Oregon, many of which are brownfields – and no doubt there are additional sites we’re not yet aware of.

Oregon encourages Congress to focus on those national investments likely to make the greatest difference in bringing new jobs to our nation’s economically distressed communities, at the same time enhancing the environmental landscape and protecting the health our citizens. Full funding of EPA’s brownfields program is one of the best ways to accomplish those objectives.

Sincerely,

John A. Kitzhaber, M.D.
Governor

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cc: The Honorable Daniel K. Inouye, Chairman, Senate Appropriations Committee
    The Honorable Thad Cochran, Vice Chairman, Senate Appropriations Committee
    The Honorable Jack Reed, Chairman, Senate Appropriations Subcommittee on Interior, Environment and Related Agencies
    The Honorable Lisa Murkowski, Ranking Member, Senate Appropriations Subcommittee on Interior, Environment and Related Agencies
    The Honorable Harold "Hal" Rogers, Chair, House Appropriations Committee
    The Honorable Norman D. Dicks, Ranking Member, House Appropriations Committee
    The Honorable Michael K. Simpson, Chair, House Appropriations Subcommittee on Interior, Environment, and Related Agencies
    The Honorable James P. Moran, Ranking Member, House Appropriations Subcommittee on Interior, Environment, and Related Agencies
    Dick Pedersen, Director, Oregon Department of Environmental Quality
    Tim McCabe, Director, Business Oregon