

Indiana awarded additional U.S. EPA grant funding for brownfield cleanup loans

INDIANAPOLIS, August 26, 2014— The U.S. Environmental Protection Agency (U.S. EPA) awarded \$500,000 in Hazardous Substances Brownfield Revolving Loan Fund (RLF) Supplemental loan funding to the Indiana Finance Authority (IFA) which will enhance the existing Indiana Brownfields Program (Program) RLF Incentive, a favorable, flexible funding source for brownfield cleanup. This grant award is targeted to be loaned to the City of Evansville (City) for a remediation project that has been long-standing in the Program, the former Swanson-Nunn Electric Company facility located at 420 SE 8th Street in Evansville (Site).

RLF funds specifically supply funding for grant recipients to provide loans and sub-grants to carry out cleanup activities at brownfield sites. When these loans are repaid, the loan amount and any interest is then returned to the fund and sub-granted or re-loaned to other borrowers, providing an ongoing source of capital for brownfield cleanup. The RLF supplemental grants range in funding from about \$200,000 to \$500,000 with an average grant award of \$350,000.

In response to the news of the award, Jim McGoff, Director of Environmental Programs for the IFA, remarked, “We are pleased to see this site being reused in a way that will positively benefit the community and the environment.” “Brownfield redevelopment is a vital component in improving the economy, providing jobs, cleaning up neighborhoods and enhancing the quality of life for Indiana residents.”

The 0.864-acre Site, owned by the City and located in a low-income census tract in the Old Erie neighborhood in downtown Evansville, has been an eyesore for years. The City has invested more than ten years of time and resources toward the Site and is managing \$1.2 million in insurance settlement funds which have leveraged past brownfield site assessment grants invested by the State.

In the 1930s, the Site building housed laundry and dry cleaning operations and an electrical repair business operated in the building until the 1990s. In 1997, Swanson-Nunn Electric Company declared bankruptcy. In 2012, vapor contamination emanating from subsurface contamination on the Site forced the closure of the Carver Daycare Center which was located on property adjacent to the Site which had also been previously owned and operated by Swanson-Nunn Electric Company. In 2013, all of the asbestos and hazardous waste from inside the Site building was removed utilizing funds from a \$1.2 million insurance settlement obtained by the City. In March 2014, the City also used insurance settlement proceeds to demolish the Site building following the results of many environmental studies which were funded with a mix of public (local and State) and private monies. The cost to remediate the contaminated soil and groundwater is anticipated to exceed the available balance of insurance settlement proceeds and an RLF loan from the Program will facilitate remediation and ultimately redevelopment of the Site.

The City of Evansville anticipates the economic and quality-of-life benefits from remediation and redevelopment of the Swanson-Nunn Electric Company site will include eliminated human health and environmental hazards, improved neighborhood aesthetics, and new employment opportunities, which will promote economic growth in the surrounding community. The Site is

ripe for redevelopment with its proximity to the future Indiana University School of Medicine multi-disciplinary, academic medical education and research center and the possible expansion of the nearby day care facility and/or senior center.

While the Program's current balance of available RLF Grant petroleum and hazardous substances funding is targeted for hazardous substances and petroleum cleanups in the Cities of Evansville and Richmond (the Former Carpenter Bus Manufacturing site), any unobligated loan funds will be made available statewide once those anticipated loans close. For information on how you can apply to obtain RLF loan funding for brownfield redevelopment, contact Michele Oertel, Federal Funding and Community Relations Coordinator for the Indiana Brownfields Program, at moertel@ifa.in.gov or (317) 234-0235.

About the Indiana Finance Authority (IFA):

The IFA's mission is to oversee State-related debt issuance and provide efficient and effective financing solutions to facilitate state, local government and business investment in Indiana. On May 15, 2005, the IFA was established through consolidation of several previously independent debt-issuing entities including the Indiana Brownfields Program.

About the Indiana Brownfields Program:

The Indiana Brownfields Program, a part of IFA's Environmental Programs, works in partnership with the U.S. EPA and other Indiana agencies to assist communities in making productive use of their brownfield properties. The Program's mission is to encourage and assist investment in the redevelopment of brownfield properties by helping communities via educational, financial, technical, and legal assistance to identify and mitigate environmental barriers that impede local economic growth. For more information about the Indiana Brownfields Program, visit the IFA Web site at <http://www.brownfields.in.gov> .