



# Oregon

Tina Kotek, Governor

## HPAC Work Group Recommendation Template

*Last Update: November 15, 2023*

### Work Group

#### Availability of land

- Land development permit applications
- Codes and design
- Workforce shortages
- Financing

### **Recommendation #1: Expand Capacity of Oregon Brownfields Program to Encourage Housing Production**

Recapitalize Oregon Brownfields Redevelopment Fund (BRF) and Brownfields Properties Revitalization Funds (BPRF). Modify the BPRF statute, ORS 275A.193-198, to allow additional loan forgiveness for development of housing at 80% -120% AMI or below.

Modify the Brownfields Properties Revitalization Fund (BPRF) statute (ORS 285A 193 - 198) to make private prospective purchasers of brownfields eligible for BPRF forgivable loans.

Consider funding additional staff capacity to manage the increased program interest and projects' complexity, and to assist and conduct outreach to affordable housing developers.

Consider funding additional DEQ staff capacity to conduct necessary environmental review required to issue No Further Action Determinations as needed by developers and lenders.

Consider expansion of DEQ's consent judgment and administrative settlement program to focus on housing production to address third-party liability. This program allows the state, on behalf of all potential claimants in an environmental action, to reach a settlement where they acknowledge that the remediation efforts are sufficient to absolve the responsible party of liability.

Implement a Licensed Site Remediation Professional Program to supplement DEQ staff to review sites/plans for Brownfields. Allow qualified outside professionals to conduct and guarantee the review is to standard in order to facilitate faster turnaround of housing production on Brownfields sites.

Convene multi-agency response teams that can facilitate equitable housing production on brownfield properties. In addition to Business Oregon and DEQ, include OHCS, DLCD, and OHA to address related environmental justice, land use, and community health concerns

that may arise when developing housing on brownfield properties. This multi-agency response team should be housed in a Cabinet within the Executive Branch.

## Related Work Plan Topics

None

### Adoption Date:

Wednesday, October 18, 2023

### Method of Adoption

This recommendation was approved by consent at the 5/12/2023 HPAC meeting. The Land Availability Work Group started working on crafting out this recommendation on August 30, 2023. At the 10/18/2023 Land Availability Work Group meeting the attending work group members voted to elevate this recommendation to the full Council. The members present at the time of vote included Deb Flagan, Elisa Gertler, Karen Rockwell, Joel Madsen, and Brenda Bateman. Joel motioned to approve this recommendation for Council consideration and Karen seconded this motion. The Work Group members unanimously adopted to advance this recommendation to the Full HPAC.

## Co-chairs Guidance: Standards for Analysis

### 1. Clearly describe the housing production issue that the recommended action(s) will address.

- a. *Describe the barrier(s) or solution(s) the recommendation seeks to address, and how the existence of the barriers hinders production or how the solution supports production.*

Adding land to a city's urban growth boundary is typically time consuming and takes years to fund and build the needed infrastructure that will allow housing to be developed on the land. Many cities have land inside their existing urban growth boundaries that is already served by infrastructure and can be developed more quickly; however, many properties that could be redeveloped for housing in cities may have some kind of environmental contamination or pollution from previous uses and are considered brownfields.

A "brownfield" is generally defined in federal and state law as: real property where expansion or redevelopment is complicated by the actual, potential, or perceived presence of environmental contamination. Cleaning up environmentally contaminated properties can potentially add significant time and costs to development which can deter developers from developing on brownfield properties. *In addition, many developers will not take the risk of purchasing a brownfield property due to the unknown costs of potential cleanup; therefore, many brownfields will not be cleaned up and redeveloped with affordable house unless there is a subsidy available.*

Business Oregon's Brownfields Program manages three major funding sources (two state funded and one federally funded) designed to facilitate brownfield assessment, cleanup and redevelopment. The primary focus of the Brownfields Program is to assist private and public

property owners with determining the environmental condition of properties and conducting cleanup activities for protection of human health and the environment. There are many successful examples of developers using this program to accomplish affordable housing development. Key to the success of the Brownfields Program for affordable housing has been the ability to offer loan forgiveness and grant funding, in order to ensure that already financially constrained affordable housing development projects can be feasible on such sites. However, when grants are given and loans are forgiven, the financial resources do not return to Business Oregon to replenish the program's ability to serve additional clients.

For this reason, we recommend the following:

1. The BPRF receive predictable long-term capitalization to provide funding assistance to affordable housing projects, as funds do not revolve.
2. The BPRF funding amount for the affordable housing enhancement be increased to provide greater assistance for eligible pre-development costs since regulatory cleanup standards are highest for housing on previously developed infill properties.
3. Recapitalization of the BRF, which will provide additional flexible and patient financing for projects requiring funding greater than the BPRF can provide.
4. *The BPRF statute should be modified to add private prospective purchasers as eligible for BPRF forgivable loans, which are currently limited to private owners and operators.*

## **2. Provide a quantitative, if possible, and qualitative overview of the housing production issue.**

- a. *Summarize the quantitative and qualitative information available, and reviewed by the work group, that informed the analysis of the barrier or solution and led to the recommendation included in this form.*

Redevelopment of brownfields properties adds cost and uncertainty to any development project. However, there is great benefit to communities to transform underutilized and environmentally polluted property into clean, productive uses that can generate community benefits. Oregon has long recognized the community and economic development benefits of brownfield redevelopment by investing in successful programs that help address the funding gaps created when developing on brownfields. Because of Oregon's land use and climate policies, there is great incentive to use land that is already inside urban growth boundaries and that is already well-served by municipal infrastructure.

The Department of Environmental Quality maintains an Environmental Cleanup Site Information database ([ESCI](#)) to track sites in Oregon with known or potential contamination from hazardous substances, and to document sites where DEQ has determined that no further action is required. DEQ also maintains a database of leaking underground storage tanks ([UST](#)).

It is evident that there are many, many sites throughout Oregon where state funding can help contribute to the assessment, cleanup, and ultimate development of property that can be put back into productive community use.

## **3. To assess the issue and potential action(s), include subject matter experts representing all sides of the issue in work group meetings, including major government, industry, and stakeholder associations.**

- a. *List the observers and participating SMEs at the work group meetings as the recommendation was developed. Identify which participating SMEs provided information to the work group and how. Summarize the information and perspective provided by the participating SMEs. If the participating SMEs expressed disagreement or concern with the work group recommendation, describe the reason.*

**Land Availability Meeting 1 (4/25/2023) Observers included:** n/a

**Land Availability Meeting 2 (5/8/2023) Observers included:** n/a

**Land Availability Meeting 3 (5/25/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro) and Michael Burdick (AOC), Brian Hoop (Housing Oregon), Ariel Nelson (League of Oregon Cities), Michael Burdick (Association of Oregon Counties)

**Land Availability Meeting 4 (6/7/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Brock Nation (Oregon Realtors), and Michael Burdick (AOC), Brian Hoop (Housing Oregon), Ariel Nelson (LOC),

**Land Availability Meeting 5 (6/21/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Brock Nation (Oregon Realtors), Jeremy Rogers (Oregon Realtors) and Ariel Nelson (LOC).

**Land Availability Meeting 6 (7/6/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Brian Hoop (Housing Oregon), Brock Nation (Oregon Realtors), Trell Anderson (Housing Oregon), Ramsay Weit (Housing Oregon)

**Land Availability Meeting 7: (7/19/2023) Observers included:** Ted Reid (Metro), Andy Shaw (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Eryn Kehe (Metro), Trell Anderson (Housing Oregon), Travis Phillips (Housing Oregon), Michael Burdick (AOC)

**Land Availability Meeting 8: (8/2/23) Observers included:** Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Trell Anderson (Housing Oregon), Travis Phillips (Housing Oregon), Ramsay Weit (Housing Oregon), Ariel Nelson (LOC), Mary Kyle McCurdy (1000 Friends), Peggy Lynch (LWVOR), Eric Zechenelly (OMHA)

**Land Availability Meeting 9: (8/16/23) Observers included:** Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Trell Anderson (Housing Oregon), Travis Phillips (Housing Oregon), Ramsay Weit (Housing Oregon), Ariel Nelson (LOC), Mary Kyle McCurdy (1000 Friends), Peggy Lynch (LWVOR), Eric Zechenelly (OMHA), Jay Blake (City of Warrenton), Gail Henrikson (Clatsop County), Melody Rudenko (DSL), Mark Landauer (Special Districts), Lauren Poor (OFB), Tracy Rainer (Clean Water Services). SME Nick Green (Catalyst), Mary Kyle McCurdy (1000 Friends), Andy Shaw (Metro)

**Land Availability Meeting 10 (8/30/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Reid (Metro), Laura Combs (Metro), Ariel Nelson (AOC), Michael Burdick (AOC), Brock Nation (Oregon Realtors), Eric Zechenelly, (OMHA), Peggy Lynch (LWVOR), Tracy Rainey (Clean Water Services), Mark Landauer (Special Districts), Jay Blake (City of Warrenton), Ethan Nelson (City of Eugene), Dana Hicks (DSL), Derek Bradley (City of Portland)

**Land Availability Meeting 11 (9/20/2023) Observers included:** Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Eric Zechenelly, (OMHA), Peggy Lynch (LWVOR, Tracy Rainey (Clean Water Servicews), Mark Landauer (Special Districts), Jay Blake (City of Warrenton), Ethan Nelson (city of Eugene), Kenny Asher (City of Tigard), Abigail Elder (City of Hood River), Dana Hicks (DSL), Derek Bradley (City of Portland, David Brant (Housing Works)

**Land Availability Meeting 12 (10/4/2023) Observers included:** Ted Reid (Metro), Anneliese Koehler (Metro), Brock Nation (Oregon Realtors), Jeremy Rogers (Oregon Realtors), Eric Zechenelly, (OMHA), Peggy Lynch (LWVOR, Tracy Rainey (Clean Water Servicews) Dana Hicks (DSL), David Brant (Housing Works)  
SMEs: Tiffany Johnson (Business Oregon), Karen Homolac (Business Oregon)

**Land Availability Meeting 13 (10/18/2023) Observers included:** Ted Reid (Metro), Anneliese Koehler (Metro), Brock Nation (Oregon Realtors), Eric Zechenelly, (OMHA), Peggy Lynch (LWVOR), Mary Kyle McCurdy (1000 Friends), Laura Combs (Metro), Mark Landauer (Special Districts), Gail Hendrikson, (Clatsop County), Abigail Elder (City of Hood River)  
SMEs: Tiffany Johnson (Business Oregon), Karen Homolac (Business Oregon), Abby Boudouris (DEQ)

**Land Availability Meeting 14 (11/1/2023) Observers included:** Ted Reid (Metro), Peggy Lynch (LWVOR), Mark Landauer (Special Districts), Trell Anderson (Housing Oregon), Maria Elena Guerra (Farmworker Housing Development Corp), and Chris Workman (city of Philomath)  
SMEs: Tiffany Johnson (Business Oregon), Karen Homolac (Business Oregon), Dana Hicks (DSL)

**Meeting on September 18, 2023:** Elissa Gertler and Brenda Bateman met with Business Oregon staff, Karen Homalac and Tiffany Johnson, to discuss brownfields programs at the state agency.

**4. Provide an overview of the expected outcome of the recommended action(s), including quantitative/qualitative context if available.**

- a. *Outline the desired result or outcome of the recommendation for both housing production and different individuals and communities.*

Business Oregon staff are providing data on housing projects developed using brownfield funds by Thursday, October 19th. The Land Availability Work Group will be able to respond to this prompt once this data is provided (hopefully by Friday, October 20, 2023).

**5. Estimate of the time frame (*immediate, short, medium, long-term*), feasibility (*low, medium, high*), and cost (*low, medium, high*) for implementation of the recommended action(s).**

<b>Time Frame</b>	<b>Short-term</b>	
<input type="checkbox"/> Long-term	<input type="checkbox"/> Immediate	<b>Feasibility</b>
<input type="checkbox"/> Medium-term		<b>High</b>

\_\_\_ Medium  
\_\_\_ Low

**Cost**  
\_\_\_ High  
**\_\_\_ Medium**

\_\_\_ Low

**Add additional context here:**

## **6. Provide a general overview of implementation, the who and how for the recommended action(s).**

- a. *To the extent the work group knows, is this implemented in state statute or rule, by the state or local government, by a particular agency, etc.*

**Governor's Office:** Introduce and support legislation to expand Business Oregon's Brownfields Program to support assessment through cleanup of infill properties targeted for affordable housing redevelopment.

**State Legislature:** Pass legislation to recapitalize Business Oregon's Brownfield Program (BRF and BPRF) to align with ten-year housing production horizon and provide loan forgivability for development of housing at 80%-120% AMI or below.

*Modify the Brownfields Properties Revitalization Fund (BPRF) statute (ORS 285A 193 - 198) to make private prospective purchasers of brownfields eligible for BPRF forgivable loans. Specific Language to Include ORS 285A.194 Forgivable loan program for removal and remedial costs at brownfields; limits; loan enhancements: (1) The Oregon Business Development Department shall establish and administer a program in accordance with ORS 285A.193 to 285A.198 under which the department may make forgivable loans for the purpose of reimbursing private **prospective purchasers**, owners or operators for the eligible costs incurred in the completion of removal or remedial actions at brownfields.*

**Business Oregon:** Continue and expand implementation of Brownfield Program, including outreach to affordable housing developers.

## **7. Outline the data and information needed for reporting to track the impact and implementation of the recommended action(s).**

- a. *Identify the data the Governor's Office would need to track to determine if the recommendation is increasing housing production. Flag any areas where data does not exist leaving a gap in understanding outcomes or impacts.*

Business Oregon to report annually on number of projects that were awarded an affordable housing enhancement and amount forgiven per project.

Develop tools to measure health outcomes for individuals living in housing built on brownfields sites, before and after occupancy of housing on brownfield sites.

## **8. Identify any major externalities, unknowns, tradeoffs, or potential unintended consequences.**

- a. *Based on the work group's analysis and information provided by participating SMEs, outline what is unknown, the tradeoffs exist by implementing the recommendations, and any known potential unintended consequences. Identify if there are any potential unintended impacts on different individuals or communities.*

Many affordable housing developers avoid development on suspected or known brownfield sites due to the uncertainty, risk, and cost. There are also concerns regarding the environmental justice implications of developing housing for vulnerable individuals on properties where contamination could lead to additional health risks for occupants. It is important to note that cleanup of brownfields properties for housing development must meet the highest regulatory cleanup standards that are protective human health and the environment.

It is also important to note that developers who seek funding from Oregon Housing and Community Services programs are required to demonstrate cost efficiency and wise use of public dollars, often translated into a cost per unit metric. Projects on brownfields properties often have higher pre-development costs, which increase the per unit cost of the project overall, unless the pre-development costs associated with assessment through cleanup can be subsidized through grants and/or patient financing. There is an opportunity to align multiple state objectives and agency funding investments for maximum leverage, by rewarding, rather than punishing, affordable housing developers seeking to build housing on brownfield sites.

Highly contaminated brownfields sites may take several years of assessment work and expensive cleanup actions before they are ready for redevelopment. It is important to set expectations when choosing brownfields sites for redevelopment. Also, a responsible party for the contamination is generally not eligible for grant funding.

**Please include any relevant reports, data analyses, presentations, or other documents that would be informative and useful for the full HPAC as the recommendation is discussed and considered.**

- Business Oregon staff provided feedback on the draft recommendation on 10/16/2023 – attached.
- DEQ staff provided feedback on the draft recommendation on 10/16/2023 – attached.
- NW Housing Alternatives, Trell Anderson, provided feedback on brownfields on 9/18/2023 - attached.



# Oregon

Tina Kotek, Governor

## HPAC Work Group Recommendation Template

Last Update: July 5, 2023

### Work Group

Availability of land

- Land development permit applications
- Codes and design
- Workforce shortages
- Financing

### Recommendation #1: Expand Capacity of Oregon Brownfields Cleanup and Redevelopment Fund Program to Encourage Housing Production

Recapitalize ~~Oregon Brownfields Cleanup Fund and Oregon Brownfields Redevelopment Fund (BRF) and Brownfields Properties Revitalization Funds (BPRF)~~, in order to Modify the BPRF statute, ORS 275A.193-198, to allow additional loan forgiveness for development of housing at 80% -120% AMI or below.

Consider funding additional staff capacity to manage the increased program interest and projects' complexity, and assist and conduct ~~expand program focus and outreach~~ to affordable housing developers.

**Commented [JT\*B1]:** The Cleanup Fund is a federal fund that is only recapitalized through the US EPA.

### Related Work Plan Topics

Insert appropriate language here

#### Adoption Date:

TBD

#### Method of Adoption

TBD

### Co-chairs Guidance: Standards for Analysis



## 1. Clearly describe the housing production issue that the recommended action(s) will address.

- a. Describe the barrier(s) or solution(s) the recommendation seeks to address, and how the existence of the barriers hinders production or how the solution supports production.

Adding land to a city's urban growth boundary is typically time consuming and takes years to fund and build the needed infrastructure that will allow housing to be developed on the land. Many cities have land inside their existing urban growth boundaries that is already served by infrastructure and can be developed more quickly, however, many properties that could be redeveloped for housing in cities, may have some kind of environmental contamination or pollution from previous uses and are considered brownfields.

A "brownfield" is generally defined in federal and state law as: real property where expansion or redevelopment is complicated by the actual, potential, or perceived presence of environmental contamination. Cleaning up environmentally contaminated properties can potentially add significant time and costs to development which can deter developers from building-developing on brownfield properties.

Business Oregon's Brownfields Program manages three major funding sources (two state funds and one federally fund) operates two programs designed to facilitate brownfield assessment, cleanup and redevelopment and, while the primary focus of the Brownfields Program is to assist private and public property owners with determining the environmental condition of properties and conducting cleanup activities for protection of human health and the environment, has not been on housing production. There are many successful examples of developers using this program to accomplish affordable housing development. Key to the success of the Brownfields Program the Business Oregon programs for affordable housing has been the ability to offer loan forgiveness and grant funding, in order to ensure that already financially constrained affordable housing development projects can be feasible on such sites. However, when grants are given and loans are forgiven, the financial resources do not return to Business Oregon to replenish the program's ability to serve additional clients.

For this reason, we recommend the following:

1. that both The BPRF receive predictable long-term capitalization to provide funding assistance to affordable housing projects, as funds do not revolve.
  2. The BPRF funding amount for the affordable housing enhancement be increased to provide greater assistance for eligible pre-development costs since regulatory cleanup standards are highest for housing on previously developed infill properties.
  3. Recapitalization of the BRF, which will provide additional flexible and patient financing for projects requiring funding greater than the BPRF can provide.
- loan forgiveness thresholds be raised for affordable housing development projects, and that additional funding be added to the Business Oregon programs so that they have enough resources to facilitate brownfield redevelopment for affordable housing over a ten-year horizon.

## 2. Provide a quantitative, if possible, and qualitative overview of the housing production issue.

- a. Summarize the quantitative and qualitative information available, and reviewed by the work group, that informed the analysis of the barrier or solution and led to the recommendation included in this form.

Redevelopment of brownfields properties adds cost and uncertainty to any development project. However, there is great benefit to communities to transform underutilized and environmentally polluted property into clean, productive uses that can generate community benefits. Oregon has long recognized the community and economic development benefits of brownfield redevelopment by investing in successful programs that help address the funding gaps created when developing on brownfields. Because of Oregon's land use and climate policies, there is great incentive to use land that is already inside urban growth boundaries and that is already well-served by municipal infrastructure.

The Department of Environmental Quality maintains an Environmental Cleanup Site Information database (ESCI) to track sites in Oregon with known or potential contamination from hazardous substances, and to document sites where DEQ has determined that no further action is required. It is evident that there are many, many sites throughout Oregon where state funding can help contribute to the assessment, cleanup, and ultimate development of property that can be put back into productive community use.

**3. To assess the issue and potential action(s), include subject matter experts representing all sides of the issue in work group meetings, including major government, industry, and stakeholder associations.**

- a. List the observers and participating SMEs at the work group meetings as the recommendation was developed. Identify which participating SMEs provided information to the work group and how. Summarize the information and perspective provided by the participating SMEs. If the participating SMEs expressed disagreement or concern with the work group recommendation, describe the reason.

Please help insert the SME information here

**4. Provide an overview of the expected outcome of the recommended action(s), including quantitative/qualitative context if available.**

- a. Outline the desired result or outcome of the recommendation for both housing production and different individuals and communities.

Can we set a target for number of units produced at specific income levels in a 10-year housing production horizon?

**5. Estimate of the time frame (immediate, short, medium, long-term), feasibility (low, medium, high), and cost (low, medium, high) for implementation of the recommended action(s).**

Time Frame	<input checked="" type="checkbox"/> Short-term	
<input type="checkbox"/> Long-term	<input type="checkbox"/> Immediate	Feasibility
<input type="checkbox"/> Medium-term		<input checked="" type="checkbox"/> High

Medium  
 Low

**Cost**  
 High  
 **Medium**

Low

Add additional context here:

## 6. Provide a general overview of implementation, the who and how for the recommended action(s).

a. To the extent the work group knows, is this implemented in state statute or rule, by the state or local government, by a particular agency, etc.

Governor's Office: Introduce and support legislation to expand Business Oregon's ~~Brownfields cleanup and redevelopment program~~ to support assessment through cleanup of infill properties targeted for affordable housing redevelopment ~~increase focus on housing production.~~

State Legislature: Pass legislation to recapitalize Business Oregon's ~~Brownfield cleanup and redevelopment program (BRF and BPRF)~~ to align with ten-year housing production horizon, and ~~raise loan~~ provide loan forgiveness threshold for development of housing for housing development at 80%-120% AMI or below.

Business Oregon: Continue and expand implementation of Brownfield ~~programs for 10 years, including report on progress annually, increase outreach to affordable housing developers outreach to affordable housing developers.~~

## 7. Outline the data and information needed for reporting to track the impact and implementation of the recommended action(s).

a. Identify the data the Governor's Office would need to track to determine if the recommendation is increasing housing production. Flag any areas where data does not exist leaving a gap in understanding outcomes or impacts.

Add housing production and affordability metrics to Business Oregon brownfield program, require annual reporting

## 8. Identify any major externalities, unknowns, tradeoffs, or potential unintended consequences.

a. Based on the work group's analysis and information provided by participating SMEs, outline what is unknown, the tradeoffs exist by implementing the recommendations, and any known potential unintended consequences. Identify if there are any potential unintended impacts on different individuals or communities.

Many affordable housing developers avoid development on suspected or known brownfield sites due the uncertainty, risk, and cost. There are also concerns regarding the environmental justice implications of developing housing for vulnerable individuals on properties where contamination

**Commented [JT\*B2]:** Developers can request an affordable housing enhancement and Business Oregon provides funding based on the project meeting eligibility criteria. Business Oregon does not perform housing production and affordability metrics. Business Oregon provides funding to assist developers with pre-development activities on properties.

Business Oregon can track the number of projects awarded an affordable housing enhancement and amount forgiven.

could lead to additional health risks for occupants. It is important to note that cleanup of brownfields properties for housing development ~~requires~~ must meet a very the highest regulatory high cleanup standards ~~of cleanup that are protective human health and the environment,~~ meaning that a new housing project may be built on cleaner land than surrounding properties that have not been assessed and remediated.

It is also important to note that developers who seek funding from Oregon Housing and Community Services programs are required to demonstrate cost efficiency and wise use of public dollars, often translated into a cost per unit metric. Projects that involve brownfields properties ~~redevelopment can often have higher pre-development costs, which~~ increase the per unit cost of the project overall, unless the pre-development costs associated with assessment through cleanup can be subsidized through grants and/or patient financing, reducing competitiveness for state funding for affordable housing projects. There is an opportunity to align multiple state objectives and agency funding investments for maximum leverage, by rewarding, rather than punishing, affordable housing developers seeking to build housing on brownfield sites.

**Please include any relevant reports, data analyses, presentations, or other documents that would be informative and useful for the full HPAC as the recommendation is discussed and considered.**

**From:** [CAMARATA Mary \\* DEQ](#)  
**To:** [VALENCIA-AGUILAR Mari \\* DLCD](#)  
**Cc:** [Deb Flagan1](#); [BATEMAN Brenda O \\* DLCD](#); [Elissa Gertler](#); [CAUDEL Ingrid \\* DLCD](#); [BOUDOURIS Abby \\* DEQ](#); [WELLS-ALBERS Rebecca \\* DEQ](#); [JOHNSON Tiffany \\* BIZ](#)  
**Subject:** RE: HPAC Land Availability - draft Brownfields recommendation for review  
**Date:** Monday, October 16, 2023 10:17:34 AM

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Mari,

Thank you for the opportunity to review the review of expanding the capacity of the Brownfields Redevelopment Funding that Business Oregon manages. I spoke with DEQ's Land Quality Legislative Analyst, Abby Boudouris, and we offer the following comments.

- DEQ's Environmental Cleanup Program evaluates if a contaminated property is ready for redevelopment. We issue several decision documents (i.e., No Further Action or Conditional No Further Action Determinations) that lending institutions may require. If funds are increased for the Business Oregon's Brownfields Redevelopment Fund, DEQ may need funds for the environmental review. Is there a way to include DEQ in the fiscal considerations for additional funds for brownfields?
- Consider forming a committee to select the sites that receive brownfields funding for housing projects. Other agencies and interested parties bring additional considerations/expertise forward beyond the financing expertise provided by Business Oregon. For example, is there an environmental justice community that needs to be included in the decision? Does the Oregon Health Authority need to be consulted about potential health concerns associated with the site? Is there a zoning change that Department of Land Conservation and Development and local partners need to evaluate? Another partner to include is the Regional Solutions Teams. They can convene federal, state, and local partners to determine infrastructure needs, permitting needs, public/tribal outreach, and funding opportunities.
- DEQ has an important liability tool for potential developers call a prospective purchaser agreement. (See link: <https://www.oregon.gov/deq/hazards-and-cleanup/env-cleanup/pages/prospective-purchaser-agreements.aspx>). Including partial or total funding for development of the prospective purchaser agreement could attract more developers to a project. Prospective purchaser agreement is drafted once the site is fully characterized, and the cleanup plan has been developed.
- Highly contaminated brownfields sites may take several years of assessment work and expensive cleanup actions before they are ready for redevelopment. It is important to set expectations when choosing brownfields sites for redevelopment. Also, a responsible party for the contamination is generally not eligible for grant funding.
- Under Section 2, Paragraph 2, on Page 2, please add DEQ's Leaking Underground Storage Tanks database as another source of potentially contaminated properties.

Please send me and Abby an invitation to the listen to the Land Availability work group meeting on Wednesday.

Sincerely,

Mary Camarata  
Regional Solutions Coordinator  
165 E. 7th Ave, Suite 100, Eugene, OR 97401  
541.687.7435 (DEQ Office)  
503.983.2277 (Mobile)  
541.686.7551 (Fax)  
[Mary.Camarata@deq.oregon.gov](mailto:Mary.Camarata@deq.oregon.gov)

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**From:** VALENCIA-AGUILAR Mari \* DLCD <Mari.VALENCIA-AGUILAR@dlcd.oregon.gov>  
**Sent:** Wednesday, October 11, 2023 2:51 PM  
**To:** CAMARATA Mary \* DEQ <Mary.CAMARATA@deq.oregon.gov>  
**Cc:** Deb Flagan1 <dflagan@hayden-homes.com>; BATEMAN Brenda O \* DLCD <Brenda.O.Bateman@dlcd.oregon.gov>; Elissa Gertler <egertler@clatsopcounty.gov>; CAUDEL Ingrid \* DLCD <Ingrid.CAUDEL@dlcd.oregon.gov>  
**Subject:** HPAC Land Availability - draft Brownfields recommendation for review

Hi Mary,

I hope this message finds you well. It's a pleasure to "e-meet" you! I was given your contact information by Tiffany Johnson at Business Oregon, who mentioned that you are her point of contact at DEQ for matters related to Brownfields that involve both state agencies.

I wanted to reach out to you on behalf of the Governor's Housing Production Advisory Council (HPAC), specifically the Land Availability Work Group. We have recently connected with Tiffany and Karen Homolac, who oversee the Brownfields program at Business Oregon. The HPAC has been tasked with developing recommendations to support the Governor's annual housing production target of 36,000 units.

Elissa and Brenda (copied in this email) are both members of the Land Availability Work Group. They believe that Brownfields can play a significant role in addressing the housing crisis and, as a result, have created the attached draft recommendation related to Brownfields. This draft is based on their own experiences with Brownfields, discussions with Karen and Tiffany, and insights from other subject matter experts.

I'm reaching out to you to share this draft recommendation and to invite you to review it. We value your expertise and believe it's crucial to ensure that state agencies with a connection to Brownfields and housing planning have an opportunity to provide input.

My ask of you is to: please provide me your feedback (if any) by noon on Monday, October 16th? This timeline will allow us to incorporate any necessary updates before our next Land Availability work group meeting scheduled for Wednesday, October 18th.

(Should you wish to listen in on the 10/18 meeting, please let me know, and I'll send you the calendar invite.)

Your input and insights are greatly appreciated. Thank you for your time and consideration.

-Mari



**Mari Valencia Aguilar**

Senior Housing Planner | Housing Services Division

Pronouns: she or they

Oregon Department of Land Conservation and Development

635 Capitol Street NE, Suite 150 | Salem, OR 97301-2540

Cell: 503-930-9739 | Main: 503-373-0050

[mari.valencia-aguilar@dlcd.oregon.gov](mailto:mari.valencia-aguilar@dlcd.oregon.gov) | [www.oregon.gov/LCD](http://www.oregon.gov/LCD)

Subject: FW: HPAC and Brownfields

From: Trell Anderson <TAnderson@NWHousing.org>

Sent: Monday, September 18, 2023 2:53 PM

To: Elissa Gertler <egertler@clatsopcounty.gov>

Subject: RE: HPAC and Brownfields

Hey, thanks so much. Just a quick response, let me know if this warrants more discussion.

First, we prefer not to provide housing for people, especially people with limited incomes, often times

compromised health, who are disproportionately from communities of color, at brownfield locations.

We don't seek out brownfields for these clear equity components.

Having said that, with fewer and fewer flat clean sites available we come across sites that may need

some remediation, especially if the development includes demolition. If demolition, we can be assured

of either lead based paint and/or asbestos. Sometimes we'll discover an oil tank use for heating in the

ground. We avoid redevelopment of gas stations. The scope of work in these instances is usually a soil

amendment, a retaining wall, and/or a concrete slab, as well as additional expense to haul and dispose

of contaminated dirt/material. It adds to the overall development cost, to the cost per unit, the driving

measurement of whether or not a project is funded by OHCS.

This is where a fund to would be helpful. If an "environmental remediation" fund were established, it

could be early assist funding to move a project forward. I would need to be a grant, and be dedicated

early to the project, even before a piece of dirt is acquired. We would not move forward on acquiring a

property is a) we knew of clean up expenses, and b) the modeling showed an increase in costs beyond

what we could get funded. A fund for this type of program would help with #b.

This one is sticky. On the one had we want more land for housing through brownfield/environmental

remediation, and if public investment we want to ensure that investment is not a windfall to



privateers.

On the other hand, we would rather not relegate affordable housing to brownfields and areas that expose people with limited incomes to health risks fully known and aware of.

Please let me know if you'd like to discuss this further.

Trell Anderson  
Pronouns: He/Him/His  
Executive Director  
Northwest Housing Alternatives

I am available in a hybrid work setting to take phone calls, participate in virtual meetings, meet in-person, and communicate through email. As one outcome of our internal equity work, NHA does not recognize holidays on the calendar as an organization. However, NHA does offer employees the equivalent of 10 days of "banked" holiday time each year so that individuals may choose for themselves what days or events to celebrate. NHA is open Monday through Friday all weeks of the year.

2316 SE Willard St, Milwaukie OR 97222 | Office 503.654.1007 | Fax 503.654.1319 | [www.nwhousing.org](http://www.nwhousing.org)

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From: Elissa Gertler <[egertler@clatsopcounty.gov](mailto:egertler@clatsopcounty.gov)>  
Sent: Monday, September 18, 2023 12:55 PM  
To: Trell Anderson <[TAnderson@NWHousing.org](mailto:TAnderson@NWHousing.org)>  
Subject: HPAC and Brownfields

Hi Trell,  
Hope your Monday is going well. I have an HPAC question for you.

We want to craft a recommendation regarding investing in brownfields for housing production. Business Oregon and many local jurisdictions already have tools to pay for assessments and

some remediation. So I'm wondering what problem we need to solve for or what opportunity we need to seize or scale?

In all your years and locations and perspectives developing affordable housing, is there a gap or a need for more brownfield resources, or an opportunity to focus resources on affordability that has not been addressed? Is there something more money or better process would improve?

I'm curious what your thoughts are. Our next Land Availability meeting is this Wednesday, this topic will be discussed then, and I am working with Brenda Bateman to frame up some thoughts before then. Let me know if you want to talk further.

Thanks,  
Elissa

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