

**CITY COUNCIL
COMMUNICATION:**

03-101

AGENDA:

MARCH 10, 2003

SUBJECT:

FINAL PROPOSALS
FOR FEDERAL
FUNDS RELATED
TO DES MOINES
BROWNFIELDS
REVITALIZATION
EFFORTS

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

ERIC A. ANDERSON
CITY MANAGER

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

SYNOPSIS —

On the March 10, 2003 Council agenda is a roll call to authorize staff to prepare and submit Final Proposals to the U.S. Environmental Protection Agency (EPA) to secure \$1,200,000 in federal funds. The proposals request \$1,000,000 to establish a revolving loan fund initially for cleanup activities in Riverpoint West and \$200,000 to clean up one site in the Guthrie Avenue Business Park south of Nesbit Distributing. The City is competing for \$90.5 million nationally in Fiscal Year (FY) 2003. Ellen Walkowiak and Robin Paul with the City's Office of Economic Development are coordinating the City activities for this project.

FISCAL IMPACT —

A 20 percent cost share is required for both revolving loan fund and cleanup activities. Potential revolving loan fund recipients will contribute the required \$200,000 cost share for the revolving loan fund grant. In addition, the City will provide approximately \$20,000 in labor, materials, and other services. For the cleanup grant, the City will provide \$40,000 in cash, labor, materials, and other services for eligible and allowable expenses related to remediation on the site. Funds are available from the Guthrie Avenue Business Park account.

RECOMMENDATION —

Approval.

BACKGROUND —

On October 11, 2000, EPA designated the City of Des Moines a Brownfields Showcase Community. On November 18, 2002, by Roll Call No. 02-2738, the City Council authorized staff to submit an Initial Proposal to secure federal funds for assessment, revolving loan fund and cleanup activities to revitalize Des Moines brownfields. Staff sent the Initial Proposal to EPA on December 12, 2002.

On February 13, 2003, the U.S. Congress approved funding for EPA's brownfields cleanup and assessment grant program, but reduced it by \$30 million in FY2003—from \$120 million to \$90.5 million. As a result, funding is highly competitive.

EPA reviewed 900 Initial Proposals nationwide and has invited 535 projects to advance to the final competition. EPA has invited the City of Des Moines to compete for revolving loan fund and cleanup grants. Des Moines is one of only two revolving loan fund and one of only six cleanup fund applicants to advance to the final competition from EPA Region VII. The City will compete with a total of 55 revolving loan fund and 200 cleanup fund applicants nationwide. EPA

anticipates awarding a total of 70 revolving loan fund and cleanup grants.

In order to compete successfully, the City must submit its Final Proposals to EPA by March 19, 2003. The City will learn the outcome of its proposals in May 2003.