

CALREUSE REMEDIATION PROGRAM

PROGRAM SUMMARY

NOTE: Currently the Remediation Program is oversubscribed; new applications are not being accepted for review or consideration.

Background

In November 2006 voters approved Proposition 1C, the Housing and Emergency Shelter Trust Fund Act, which set aside \$2.85 billion for housing in California. In 2007, the Legislature allocated \$60 million of these monies to the California Recycle Underutilization Sites (CALReUSE) Program for the purpose of *brownfield cleanup that promotes infill residential and mixed-used development, consistent with regional and local land use plans* (SB 86, 2007). The staff of the California Pollution Control Financing Authority (CPCFA or the “Authority”) conducted a nine-month public participation process with interested parties and stakeholders. The collaborative process resulted in the development of a brownfield cleanup program that offers grants and loans up to \$5 million for brownfield cleanup that produces residential and mixed-use development in California’s infill areas to create housing opportunities for our working families.

Loan and Grant Terms

- Financing available from \$50,000 to \$5 million for brownfield cleanup
- Grant Eligibility: At least 15% of the Development Project must create affordable housing and meet the State’s density requirements.
- Loans: Interest Rate of Six-Month LIBOR fixed for the term of the loan (not less than 2%).
- Six years to clean up the site and complete the Development Project

Project Criteria

- Development Project must create or promote residential or mixed use development.
- Must be located in an Infill Area
- Must be consistent with regional and local land use plans
- Must have a Cleanup Plan approved by an Oversight Agency prior to receiving funding

Amount of Funds Available

A total of \$55 million of the California Recycle Underutilization Sites Program’s (Program) initial allocation was available to award to projects. The Authority awarded \$53,854,235 to projects at its November 2008 Board meeting and the remaining \$1,145,765 at its May 2009 Board Meeting. Financing was available on a rolling or monthly basis as long as funds were available.

Californians responded. Due to the high demand for assistance with brownfield cleanup, the Program is currently oversubscribed. The success of the Program is reflected in the numerous applications received and the grants/loans awarded.

Administration

Due to budgetary constraints as of March 1, 2011, the Authority will no longer engage Strategic Partners to assist in administering the Remediation Program. All phases of the Program will be administered by the Authority. For technical review of disbursement requests and final review the Authority has entered into an agreement with the Department of Toxic Substance Control (DTSC) to provide environmental technical assistance based on their experience and understanding with environmental assessment, remediation and redevelopment process on brownfield projects and contaminants.

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Additional Information

Additional information can be obtained by contacting the CALReUSE staff:

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