Northern Kentucky Area Development District
22 Spiral Drive / Florence, KY 41042
Phone (859) 283-1885 / Fax (859) 283-8178 / TDD (859) 282-2707
www.nkadd.org

R04-12-R-001

Lisa Cooper, Executive Director

November 23, 2011

Environmental Management Support, Inc.
Attn: Mr. Don West
8601 Georgia Avenue, Suite 500
Silver Spring, MD 20910
Phone: (301) 589-5318

RE: NKADD, KY U.S. EPA Community-Wide, Brownfields Revolving Loan Fund Application

Dear Mr. West:

The Northern Kentucky Area Development District (NKADD) is requesting $1,000,000 from the United States Environmental Protection Agency (EPA) to implement a Community-Wide Brownfield Revolving Loan Fund Project. This project will provide funding for a multitude of sites in the eight county region overseen by the NKADD. The region includes Boone, Kenton, Campbell, Carroll, Gallatin, Owen, Grant, and Pendleton Counties. The NKADD has a long and successful history of working cooperatively with the cities and counties to implement projects that benefit the region.

Though only the NKADD will work in a supervisory position to implement the Brownfield Revolving Loan Fund Project, there are multiple entities that have committed to working together to implement the strategy in a fair and efficient manner throughout the region. These entities include educational institutions, non-profit agencies, and quasi-governmental agencies. All will serve in an advisory capacity as well as assist in the education of the citizenry and businesses in the Brownfield Revolving Loan Fund Project.

A. Applicant Identification: Northern Kentucky Area Development District
22 Spiral Drive
Florence, KY 41042

B. Applicant DUNS Number: 156693707

C. Funding Requested:
i. Grant Type: Revolving Loan Fund
ii. Amount: $1,000,000
iii. Contamination: Both Hazardous Substances: $800,000
Petroleum: $200,000

D. Location: Boone, Kenton, Campbell, Carroll, Gallatin, Owen, Grant, and Pendleton Counties

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E. Contacts

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ii.) Chief Executive:
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F. Date Submitted: November 23, 2011

G. Project Period: October 1, 2012 – September 30, 2017 (Not to exceed five years)

H. Population: 438,647 (total population for the NKADD eight county region)
Population obtained from the 2010 Census using www.factfinder2.census.gov

Thank you for your consideration of this grant application. The NKADD is fully committed to restoring its communities to the safe, healthy, and vibrant areas they can be. We hope that the continued redevelopment of our Brownfield sites will lead to this success.

Sincerely,

Lisa Cooper

Ranking Criteria For Brownfield RLF Grants

1. Community Need

a. Health, Welfare, Environment

The Northern Kentucky Area Development District (NKADD) represents an eight county area in the northern most part of the state. The region stretches from the densely populated, urbanized cities in Boone, Kenton, and Campbell Counties, to the rural farmlands of Carroll, Gallatin, Owen, Grant, and Pendleton Counties. Much of the region has benefited from its proximity to the Ohio River that has enabled manufacturing plants to thrive in the area. Just to the north, across the Ohio River lies the City of Cincinnati. As Cincinnati expanded its manufacturing base in the early twentieth century, some of these industries spilled over the banks of the Ohio and built plants in Northern Kentucky. Many of these plants that once brought jobs and economic stability to the area, have now closed their doors and leave behind polluted brownfield sites that blight the area and leach contaminants into the region's water supply.

Over the past few years an initiative has grown within the eight county Northern Kentucky region to identify, assess, clean up, and redevelop these brownfield sites. Efforts have been made on the part of several municipalities in the region (City of Covington, Pendleton County, Carroll County, Campbell County, and the City of Newport) to assess, clean-up, and redevelop various sites. Throughout Northern Kentucky there are many sites known to have contamination. This contamination inhibits redevelopment, creates blighted and unusable properties, and adds to increased contamination in our soils and our watershed.

The Northern Kentucky Area Development District (NKADD) is formulating a program to become a regional hub for brownfield redevelopment. In addition to their traditional services offered of planning, GIS, and grant writing, the NKADD is working to become the regional source of brownfield redevelopment assistance. The need for this program is based on three key factors:
1. The large amount of brownfields already indentified in the area.
2. The region's history of housing manufacturing facilities that pollute the surrounding air, water, and soil.
3. The need to infuse financial assistance into the area that would take the burden off of struggling municipalities and potentially create jobs in a region laden with unemployment.

With the help of our partnering cities and counties, to date the NKADD has been able to identify more than 200 brownfield sites in the region. This list includes properties that have either known or perceived contamination and are currently vacant or underutilized. These sites include steel plants, abandoned garages and service stations, scrap metal yards, dry cleaners, auto parts plants, rail yards, river barge facilities and docks, and many other abandoned manufacturing plants. These properties have been identified through public input, conversations with local residents and property owners, and input from the cities and counties that house these properties and desire to see them redeveloped and reused. Our database of sites is constantly being updated as more are identified or as companies close and abandon their properties. Because the contents of this database are under constant revision, the number of existing manufacturing facilities in each county have also been taken into account. In the eight county region there are more than 450 manufacturing facilities currently in operation (www.bls.gov). These existing facilities have the potential to become future brownfield sites and could therefore benefit from the availability of a brownfield RLF in the future.

In addition to decades of manufacturing emissions, the Northern Kentucky region is home to a portion of the Interstate-75 corridor. This transportation route is one of busiest in the country with nearly 170,000 vehicles per day passing over the bridge that connects Ohio to Kentucky. According to the United States Secretary of Transportation, this traffic includes trucks that carry 3% of the nation's gross domestic project annually (www.whitehouse.gov). Years of toxic emissions in the region have contributed to Kentucky receiving a rank of 43rd in the U.S. in worst air pollution (www.americashealthrankings.org). Boone County in particular was ranked in 1999 among the dirtiest/worst 10% off counties in the US in terms of sulfur dioxide emissions. Carroll County

was subsequently ranked in 2002 among the dirtiest/worst 10% of counties in the US in terms of total environmental releases (www.scorecard.com). This pollution also contributes to Kentucky's horrible statewide ratings for infant mortality (29th), cardiovascular deaths (43rd), and cancer deaths (50th) (www.americashealthrankings.org). The effects of these pollutants also disproportionately affect disadvantaged populations. Facilities emitting criteria air pollutants were found to be 88% more likely to affect people of color in Kenton County and 136% more likely in Campbell County (www.scorecard.com). Also, I-75 passes through the City of Covington, a city with 18% minorities and where 20% of its families fall below the poverty level. This is a staggering figure when compared to the state average of 12% minorities and the national figure of 10% of families below poverty (www.factfinder2.census.gov).

In addition to the dangerous levels of air pollutants, the counties of Northern Kentucky are also plagued by many contaminated water ways. The Ohio River, which borders, six of the eight counties in the region, is a major supplier of potable water to the area. In 2004, the EPA commissioned a report detailing pollution problems in the Ohio River like polychlorinated biphenyls (PCBs) and dioxins, two of the world's most toxic man-made chemicals. These chemicals have been linked to health issues like cancer, brain damage, and problems with the immune system. Despite being banned for more than a decade, these chemicals are still showing up because of their inability to break down over time. Boone County and Campbell County, two of the more urbanized counties, are in the 70th and 80th percentile respectively for highest percentage of impaired or threatened water bodies in the country (www.scorecard.com). Carroll County, one of the more rural counties, is experiencing harmful effects from ground water contaminated by trichloroethylene (TCE). Since 1988 when the chemical was identified, studies have been conducted that traced at least one of the sources of TCE to a former manufacturing site in the area. As the chemical spreads through ground water systems, it puts the county's population in danger, especially those in sensitive age groups and high risk categories. This is of special concern to Carroll County because where 21% of the population is less than 15 years of age and 19% of the population is over 60 years of age. Also, a special concern in the high risk categories for Carroll County are pregnant teens. As of 2007, Carroll County had the highest teen pregnancy rate in the state and experiences high rates of low weight and pre-term births (8% and 11% respectively).

b. Financial Need

The more than 200 sites that have already been identified in the region are scattered throughout the eight county area, and though the awareness of their existence is there, there are many financial constraints impeding their remediation and redevelopment. The table below holds some of the most important figures for demonstrating the disadvantaged populations that exist in the region. The Target Community column represents the entire eight county region. Ranges are shown for each category to demonstrate the extremes that are found in the region at the county level.

	Target Community	State of Kentucky	National
Population[1]	8,589 – 159,720	4,339,367	308,745,538
Unemployment[2]	9.5% - 13.7%	10.5%	9.6%
Poverty Rate[3]	6.6% - 25.8%	17.4%	14.3%
Percent Minority[1]	1.8% - 9.0%	12.2%	26.7%
Per Capita Income[3]	$19,165 - $28,112	$22,284	$26,530

[1]Data is from the 2010 U.S. Census data and is available at www.census.gov
[2]Data is from the Bureau of Labor Statistics for 2010 and is available at www.bls.gov
[3]Data from the 2009 American Community Survey and is available at www.factfinder.census.gov

The table accurately reflects the wide range of conditions that exist in the Northern Kentucky region. The same rural counties that have populations of only around 10,000, are often the counties that are experiencing the highest poverty and unemployment rates that are staggeringly above the state and national averages. These

conditions have small local governments strapped for funds and unable to spend money on things like brownfield remediation. In the larger, more urban counties, the issues are more with the overwhelming numbers of brownfields that blight the urban core and deter businesses and residents from locating in the area. Often times in the urban counties, the pollutants are also much more likely to affect minority and disadvantaged populations. As an example, Kenton County is home to over 80% of Northern Kentucky's African American population and contains the city with the largest percentage of families living below the poverty level. This county alone has identified more than 100 brownfield sites within its boundaries.

The Northern Kentucky area is home to just over 10% of the state's total population. In this region, six of the eight counties are at or above the state unemployment rate. Like much of the rest of the country, Kentucky has been inundated in the past few years with business closures. In 2010, the state of Kentucky had a total of 76 business/industry facility closings, 15 of which were in the eight county Northern Kentucky region. This translates to 20% of the closings being located in just 7% of Kentucky's 120 counties (*Source: Kentucky Cabinet for Economic Development)*. This does not include the loss of an additional major facility for Northern Kentucky in 2011 that will take with it nearly 500 jobs.

Efforts have been made to assist two of the urban counties with their brownfield redevelopment through the Licking River Greenway (LRG) Brownfield Coalition. The Licking River Greenway (LRG) is a project implemented by Vision 2015, the area's regional planning agency, which is working to clean up properties along the Licking River and construct green spaces and passive recreational areas like walking trails, parks, sports fields, and canoe liveries. In 2010, the Northern Kentucky Area Development District (NKADD) applied for and received a Coalition Petroleum Brownfield Assessment Grant. The LRG Brownfield Coalition is headed up by Campbell County, the City of Covington, and the NKADD. The NKADD has successfully managed the grant for over a year now and has been able to assess sites along the Licking River to prepare them for redevelopment as part of the Greenway project. One use of the RLF would be to work in conjunction with other existing incentives for furthering the progress of cleaning up the cities and counties that surround the Licking River.

Despite the tough economic times seen throughout the region, the NKADD and other area organizations have continued to make brownfield redevelopment a priority. As many of the municipalities are hurting for funds, the region has come together with creative strategies to otherwise incentivize the redevelopment of these distressed properties. The NKADD has continued to list brownfield cleanup as a major priority that is critical to the region on its Comprehensive Economic Development Strategy (CEDS). The CEDS plan is prepared for and approved by the federal Economic Development Administration (EDA) and states, "there are properties in the region, particularly in the urban counties, that the expansion, redevelopment, or reuse of is greatly hampered by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The assessment and cleanup of these Brownfield sites will open up vital land in the urban core for redevelopment. Funds should be sought to support these assessments and cleanups."

The problem in the region is not a lack of willingness to facilitate brownfield remediation, it is only a lack of funding. Various communities in the region received brownfield assessment grants in the past and are now looking for funding opportunities to help continue to cleanup and redevelop sites. The RLF would provide the necessary options to allow the communities to further their remediation goals. Other organizations are doing their part to provide incentives that add to the attractiveness of a developer choosing to locate on a brownfield site. Utility companies in the region offer reduced rates to qualifying companies that locate on a brownfield site. These reduced electric rates start at 50% off the market rate for the first year (www.duke-energy.com/rates/kentucky/electric.asp) and serve as an incentive for companies to utilize infill development opportunities. The state also offers tax incentives like reducing the state property tax rate from 31.5 cents per $100 of assessed value to just 1.5 cents per $100 of assessed value for three years. In addition, qualified industries would be

eligible for up to $150,000 worth of income tax credits for expenditures made to clean up the site (http://dca.ky.gov/brownfields/Pages/TaxIncentives.aspx).

2. Program Description and Feasibility of Success

a. Program Description

i) The NKADD seeks to obtain funding for a Brownfield RLF Program. There is a current initiative within the eight county Northern Kentucky Region to identify, assess, clean up, and redevelop brownfield sites. Over the past few years efforts have been made on the part of several municipalities (City of Covington, Pendleton County, Carroll County, and the City of Newport) to assess various sites. The success of these efforts with creating inventories, assessing sites, and creating remediation plans is a catalyst for the NKADD to take this to a regional level. After evaluating an inventory created by the Northern Kentucky Area Planning Commission that includes some 100 sites for Kenton County, it became evident that our region is inundated with properties known or perceived to contain hazardous materials and petroleum. The Northern Kentucky Region is surrounded by two major waterways, the Ohio River and the Licking River. Close proximity to major waterways has been an attraction to industry over the years. However, as the economy changed and the country has leaned more heavily upon imports, much of the industry that helped populate the region has vacated, leaving behind contaminated sites. This contamination not only inhibits redevelopment, but adds to increased contamination in our watershed and directly affects much of the drinking water of the area.

These various sites are scattered throughout the eight county region, and although the counties they are in desire to have them cleaned up and redeveloped, the current fiscal condition of many municipalities will not allow the progress to move forward. In order to lighten the burden borne by the region's local governments, the NKADD is implementing a plan to become a regional hub for brownfield redevelopment. As funding is obtained through various activities, the District will work to assist communities in their efforts to assess and remediate sites. This plan began several years ago with assistance on grant application writing for communities seeking assessment funds for sites. It grew last year into managing the Licking River Greenway (LRG) Brownfield Coalition. This Coalition is a regional effort with multiple partnering agencies and communities seeking to redevelop the Licking River Greenway. This project will take a diverse group of properties and develop a green space linking the Cities of Covington, Taylor Mill, Newport, and Wilder in Campbell and Kenton Counties. Existing infrastructure including sidewalks, parks, and trails will be enhanced and united; properties hindering this project will be assessed, and redeveloped to create the greenway.

The NKADD is in the early stages of creating a program for brownfield redevelopment that would be able to serve all of the communities in our eight county region. Our role in the community has already created a network of the encompassed communities for outreach and education. We currently offer services in planning, GIS, and grant writing to each. Therefore, after examining where we are as a region, we feel the first step in moving forward with a regional plan is to work towards cleaning up the many sites assessed thus far. We are aware that there are several sources to look into including State and Federal funding. Many of these funds are limited and highly competitive. There are not enough options to meet the urgency of our region's needs. The NKADD has more than a decade of experience in managing a Kentucky Economic Development Administration (EDA) Revolving Loan Fund. We would like to expand our services and capabilities to include a Brownfield RLF. By obtaining this grant the NKADD could systematically loan and/or grant money to those owners of sites that are most viable for redevelopment and meeting with comprehensive plans for the communities in which they reside.

The NKADD plans to administer an RLF program that will offer loans well below the current money center prime rate quoted in the Wall Street Journal, not to fall below 4%. In order to meet the 20% match required by the grant, some loan recipients may be asked to put down a 10% match. The NKADD intends to donate time and materials that will serve as the first 10% match, and is in negotiations with a large private entity that expressed

interest in providing the second 10% match. Ideally this will mean that loan recipients that are not financially able, will not have to provide the initial down payment. The NKADD intends to use this prerogative to help local governments and non-profits that apply for the loans. Private entities and those that cannot prove financial hardship, will still be required to contribute to the 10% match

A Loan Fund Committee will be comprised of five or more individuals from various sectors (public, private, and non-profit) that will advise in the loan selection process. They will advise in the interest rate set per loan based upon applicant eligibility and ability to repay the loan. This is modeled after the current NKADD RLF program through the EDA. The Loan Fund Committee will be lead by the NKADD's Brownfield RLF Loan Fund Manager who will make any and all final decisions based upon set criteria for loan eligibility. The NKADD has the capacity to pull together a diverse board in this manner as a pool from their large existing Board of Directors as well as many interested parties throughout the region that frequently offer their time and expertise. In the attached Letters of Support, there are already existing commitments from our partners to serve in some capacity on the Brownfield RLF Committee. This includes a commitment from our local Conservation District to serve as an advisor to the Committee on matters of environmental importance. This means that they would help prioritize sites according to those that remediation would have the biggest impact, and also offer assistance with identifying potential sites and advertising the program to property owners.
These loans will be offered to public, private, and nonprofit property owners exhibiting a need to clean up their sites for feasible redevelopment. The NKADD has several partnering agencies for the Brownfield RLF program. The Northern Kentucky Tri-ED, an Economic Development Agency, will be working with us and our communities to prioritize which sites are most likely to undergo successful redevelopment. We will market our program through our community-elected officials and leaders, our local university small business programs, and through the NKY Tri-ED. In addition, we will ensure that all known and assessed brownfield property owners are made aware of the program. As inquiries occur and applications for loans are submitted, packages will be created to fit the needs of the borrower.

Cleanup projects can vastly range in price; our goal is to assist our communities in cleanup of sites most likely for successful redevelopment. Therefore, we do not want to designate any minimum or maximum lending amount. However, we also want to see the redevelopment dispersed throughout all eight counties. The amount of the financial request will be considered a part of the criteria for eligibility. Extremely excessive requests will receive a slightly lower ranking as the NKADD would like for the funds to be available to multiple cleanup efforts. In regards to applicants with large requests, we can offer assistance with financial planning that would possibly involve financing a percentage of the project and assistance with obtaining funding for project completion from other funding sources. The NKADD will use their nearly forty years of successful experience in gaining financial assistance for these more costly projects.

There are many sites that have yet to undergo cleanup efforts due to the cost. The NKADD seeks to cleanup sites that will most benefit the community. Therefore, there may be applicants that may not qualify for loans due to financial hardship. Under these very special circumstances there will be approximately 10% of available funds that may be awarded as a subgrant to the landowner. This will be available to small municipalities, small business owners, and nonprofit organizations. Very specific justifications will be set forth within the lending criteria to ensure that only the most valid projects will be funded in this manner. The NKADD will exhaust all efforts for obtaining supplemental funding before awarding grants. This will ensure that while the NKADD is fulfilling its goal to cleanup high priority sites, there is always an optimal amount of funding for lending.

The overall regional Brownfield Program the NKADD is implementing will assist property owners from start to finish in different respects. Our highly experienced staff can work from beginning to end with project planning; can assist with obtaining assessment financing, assist with procurement of a consultant, and the RLF program will assist with cleanup efforts. As mentioned before, the NKADD has a long history of obtaining funding from

various sources for program/project costs. All of these services and expertise will be available to potential applicants ensuring that their sites are cleaned up and ready for redevelopment.

ii) As described above, there will be a large pool of candidates that will apply for NKADD Brownfield RLF funds. Based on current assessments and their owners, these applicants can range from cities to counties, small to large private businesses, and nonprofits. The NKADD will work to reach out to property owners of those sites that have already been assessed, as well as those that have not. As stated previously, the database of brownfield sites in the region is growing constantly. As we work to make property owners aware of the options available to them to secure assessment and cleanup funding, we will advertise the RLF as a viable source of leveraging to implement remediation plans.

The NKADD has a close tie to all municipalities within the region and successfully markets their range of services to each; hence, the NKADD has many noteworthy services that have withstood recent state and federal budget cuts. NKADD Development Staff will be dedicated to meeting with City and County Economic Development Directors to fully engage and educate them on the overall Brownfield Program, and specifically the RLF. Our burgeoning relationship with the NKY Tri-ED will also allow for an array of marketing capabilities. As developers approach them about development planning, Tri-ED will make available to them information about the benefits and funding options associated with redeveloping a brownfield site. Just as we continue to do with our current Petroleum Brownfield Assessment Grant, the NKADD will not hesitate to approach property owners on an individual basis that have been identified as having properties in need of remediation. The NKADD will also market the program as they do with all of their programs; information pertaining to the overall program and the Brownfield RLF will be noted on our highly trafficked website, public notices will be made in various media outlets, and informational sessions will be held as new developments occur.

iii) The staff at NKADD are highly experienced and qualified to manage the Brownfield Revolving Loan Fund. The NKADD Small Business EDA RLF has been successfully managed for 13 years. The program began with $500,000 which has been revolved three times. Over 25 loans have been awarded totaling $1.54 million. A total of 181 jobs have been created and retained as a direct result of the NKADD RLF. The NKADD staff has also been able to meet all EPA deadlines and requirements set forth for their current Coalition Petroleum Brownfield Grant. The NKADD Brownfield Program has even received recognition for its success by the North American Development Organization (NADO).

The NKADD has a highly experienced staff dedicated to the implementation and sustainability of this program. The team dedicated to implementing the Brownfield RLF will include a Project Manager, a Lending Specialist, and two staff members. The Project Manager will be responsible for managing the project and ensuring that all tasks are completed and deadlines and reporting requirements are met. The staff member chosen for this position already has experience successfully managing the Licking River Greenway (LRG) Coalition Petroleum Brownfield Grant. The Lending Specialist position will be responsible for managing the amortization, lending, and collecting on behalf of the RLF. The staff member who will fill the Lending Specialist position already has experience administering the $500,000 EDA Small Business RLF for the NKADD. The other two staff members will help the Project Manager by attending meetings, creating advertisements, updating the website, managing the database of sites, and any other tasks requested by the Project Manager. In addition to the staff listed here, the NKADD has legal counsel on retainer that is available for consultation upon request.

Our staff experience and expertise will allow for management of the various aspects of the Brownfield RLF. With experience successfully managing an existing RLF, we can ensure optimal program implementation. Management will not only include the administration portion of the Brownfield RLF for a program to meet all standards; it will be imperative that sites themselves are managed for appropriateness and safety of cleanups. Therefore, to make certain that the highest appropriateness and safety of cleanups is observed, each

borrower/grantee will be required to follow all guidelines set forth by the USEPA. With the NKADD experience in management of these projects, they are familiar with all guidelines. Monitoring of all sites will occur with expected reports that follow the model set forth for all brownfield sites. The NKADD will be involved in the cleanup process as an advisor, and will monitor the process in all aspects including procurement of an environmental consultant. The health, safety, and welfare of our communities and environment are the purpose for this program and therefore held in the highest regard.

b. Budget

i)

Hazardous RLF Budget

Budget Categories	**Project Tasks for Loans**		
(programmatic costs only)	Task 1: Establishment and Operation of RLF	Task 2: Community Outreach and Marketing	**Total**
Personnel	$40,000		$40,000
Travel		$5,000	$5,000
Supplies		$5,000	$5,000
Loans	$750,000		$750,000
Subtotal	**$790,000**	**$10,000**	**$800,000**
Cost Share (NKADD)	$50,000	$30,000	$80,000
Total	**$840,000**	**$40,000**	**$880,000**
Cost Share (other)	$80,000		$80,000
Total Task 1	**$920,000**		**$960,000**

Petroleum RLF Budget

Budget Categories	**Project Tasks for Loans**		
(programmatic costs only)	Task 1: Establishment and Operation of RLF	Task 2: Community Outreach and Marketing	**Total**
Personnel	$10,000		$10,000
Travel		$2,500	$2,500
Supplies		$2,500	$2,500
Loans	$185,000		$185,000
Subtotal	**$195,000**	**$5,000**	**$200,000**
Cost Share (NKADD)	$10,000	$10,000	$20,000
Total	**$205,000**	**$15,000**	**$220,000**
Cost Share (other)	$20,000		$20,000
Total	**$225,000**		**$240,000**

The NKADD will meet the 20% cost share for this grant through an In-Kind labor contribution for managing the RLF of at least 10%; it is likely that our actual contribution will far exceed the 10%, and any additional hours will just be considered a donation of labor. We are currently in the early stages of negotiation with a major private business whose Community Foundation is interested in this project; their foundation supports various efforts for energy efficiency as well as green sustainability and they have a long history of working with the EPA. They have expressed an interest in donating the other 10% of the match. If not, the NKADD will have criteria dictating that private business property owners who meet a specific financial standard will be required to provide 10% of their project costs. This will be used to supplement the rest of the 20% cost share.

Task 1: Establishment and Operation of RLF
The NKADD will establish and operate their Brownfield RLF Program at an administrative level under this task. This will involve the creation of loan applications, loan agreements, and contracts to meet the requirements for the new program. This task covers the servicing of loans to ensure proper use of the funds and timely repayment. There will be a cost share by the NKADD of $60,000 noted under this task between our hazardous and petroleum funds. This will be a donation of programmatic labor; as mentioned before, it is most likely that the programmatic labor involved in the management of this project will far exceed our donation and our cost. All excess programmatic labor will be a donation. This task will also encompass monitoring of sites while working with the QEP consultant hired by the loan recipient, as well as fulfilling any and all reporting requirements. Under this task approximately 94% of the $1,000,000 will be spent on actual lending to property owners. Though there is no exact estimate for how many loans this will cover in the first revolution of the funds, due to cleanup costs varying to a great degree based upon site, we prefer to cleanup as many sites as possible. The NKADD estimates four to eight lending packages being awarded as a result of the first revolution of the funds. The number of packages may exceed this amount if there are multiple sites requiring less costly cleanup; however, the intent is to not lend less than four packages. The last cost share of $100,000 will either be as a donation from a private firm with a vested interest in the community and EPA programs, or it will come from specifically designated borrowers that meet set criteria. This portion of the cost share (10%) will all fall under Task 1.

Task 2: Community Outreach and Marketing
Under this task the NKADD will produce and update any loan program publications (including brochures, fliers, fact sheets, and the NKADD website) with information about the establishment of the new program. This task will include all community outreach efforts conducted through the NKADD's Brownfield Program in regards to the new RLF program. This will include presenting at public hearings throughout the region, meeting with various neighborhood associations, marketing to Northern Kentucky's business and development communities, and providing feedback to all inquiries. To maximize the availability of the EPA fund for loans, any personnel costs associated with this task will be contributed as part of the In-Kind contribution by the NKADD. Any labor associated with this task by our partners will be considered a donation of time. The Supplies line item will cover the cost of printing and distribution of the NKADD marketing materials. The Travel costs associated with this project will cover expenses of the NKADD Brownfield RLF having representatives from their staff attend the annual EPA Brownfield Conferences, Regional Brownfield Conferences, Brownfield Workshops, and any other events that the EPA Brownfield Program suggest we attend. These different events will assist in NKADD Brownfield RLF staff learning new approaches to the use of the RLF as a tool for brownfield redevelopment as well as exchange ideas with EPA representatives, other local governments, and environmental contractors.

ii) Tracking and Measuring Progress
The Project Manager will be responsible for ensuring the proper tracking and measuring of progress throughout the duration of the process. The NKADD has been in existence since 1971 and has successfully administered hundreds of millions of federal dollars over the years. With this experience, and long track record with successful programs they are more than capable of administering this program with the same success.

Upon successful receipt of funding, the project manager will author a work plan as part of their Cooperative Agreement with U.S. EPA. The work plan will quantify measurable goals and budget and establish a timeline for completion of each milestone. Via each quarterly report required under the Cooperative Agreement, the project manager will track its progress in the following sections: (1) Status of Work Plan Activities (Commitments), detailing the status and timeline for activities identified in the cooperative agreement; (2) Deliverable/Work Products (Outputs), detailing reports completed and deliverables submitted to U.S. EPA; and (3) Program Measures of Success (Outcomes), detailing measures such as the number of number of loans lent, number of grants awarded, number of sites with cleanup completion, number of sites redeveloped, and number of jobs

leveraged. The Project Manager will track progress on a monthly basis internally and communicate the progress with their partners and interested stakeholders. The project manager will also utilize its geographic information system to track site-specific progress associated with the redevelopment of each site. The NKADD Brownfield RLF partners and RLF Board will serve as a means to keep the ball rolling and to ensure that proper consideration is given to all possible projects.

iii) Leveraging

As mentioned before, there are multiple redevelopment and revitalization efforts that are currently affecting the areas in the Northern Kentucky as a whole. The NKADD is seeking this Brownfield RLF Grant in order to enhance these current projects, and complete cleanups for the multitude of Brownfield sites in the region. This grant will assist in expediting our efforts. This will allow for an efficient cleanup process with known areas and contaminants to focus on. It will *also* allow for those entities that are currently working on redevelopment efforts to strategize accordingly. This will also provide information for affected municipalities to better formulate redevelopment strategies, and provide a basis for complete rehabilitation of sites. The anticipated outcome will not only be to clean up sites on a regional basis, but to integrate the cleanups into our overall regional brownfield program.

The NKADD is committed not only to the cleanup of brownfield sites throughout the Northern Kentucky Region, but also the overall brownfield revitalization process; we will offer assistance from early community strategizing through the cleanup process including obtaining means for assessment of sites. The NKADD is currently working with various partners from both the public and private sectors to initiate and implement this program. These partners will prove to be a vital source for redevelopment efforts. Not only does the NKADD have these sources to obtain funding through, but they have a long and successful history with federal funding; they have obtained and successfully administered many federal grants. Some of the possible public funding options, other than from the public organizations that may budget for or raise funds, include: Brownfield Hazardous and Petroleum Assessment Grants, EPA Cleanup Grants, Department of Housing and Urban Development's Brownfields Economic Development Initiative (BEDI) grants, and Community Development Block Grants. The NKADD will actively seek out multiple funding sources to ensure that every avenue will be taken to cleanup these sites that continue to function as a hazard to the citizenry and as blight on the region.

The NKADD will provide as an in-kind contribution meeting space for meetings and events and the use of its Geographic Information System (GIS). They will also be donating labor through an assortment of assistance in planning. This donation of labor will fall outside of the costs associated with and noted in the budget for the actual management of the Brownfield RLF Program.
Vision 2015, a private organization, has spent funds to conduct studies as well as formulate and implement a comprehensive plan for the region. As they partner with the NKADD on the Northern Kentucky Brownfield Program they will continue to be heavily involved in the partnership and seeing the Vision completed. The cleanup of brownfield sites throughout the region will lead to more investment, private and public, in the region. Vision 2015, the Sanitation District, The catalytic Fund, the Covington Housing Authority and many businesses will be investing in this area when sites are assessed and cleaned. As cleanup of sites occur, the NKY Tri-ED will be able to assist in marketing those sites to various investors.

The state of Kentucky has an active and well funded underground storage tank (UST) cleanup fund (FUND) that can be used to both remove USTs and cleanup a petroleum site. The state currently has approximately $30,000,000 set aside for this purpose. The FUND can be used by both private individuals and public entities to remove USTs, continue the assessment, and remediate the impacts. The leveraging of these additional state funds will provide an easier path for site redevelopment.

c. Programmatic Capability and Past Performance
i) Programmatic Capability
The NKADD has been successfully administering federal and state grants for almost forty years. The NKADD Community Development Department has a staff of five employees dedicated to writing, strategizing, implementing, and administering these programs. Hence, the NKADD is taking the initiative to take the helm for developing a regional brownfield program; all necessary steps will be taken to implement the Brownfield RLF successfully and according to all guidelines set forth by the EPA. The NKADD will work hands on with the borrower, and will monitor all steps in the cleanup process. The NKADD has been successfully managing the Licking River Greenway (LRG) Brownfield Coalition Petroleum Assessment Grant for over a year and is meeting all program requirements and has remained in excellent standing with the EPA. The NKADD will combine the knowledge gained from administering the LRG Grant with their experiences in management of their current Economic Development Administration (EDA) Small Business RLF to implement and carry out a successful Brownfield RLF program. At this time there is no anticipated need to hire a contractor for management purposes; the NKADD will comply with US EPA Guidelines in their administration of the Brownfield RLF.

As mentioned earlier in the Project Description, the NKADD has four dedicated, experienced, and knowledgeable staff members assigned to this project. All four staff members are employed within the NKADD Public Administration and Development Division. All four staff members have long term goals of staying with the NKADD. However, in the event that any of these staff members were to terminate their employment with the NKADD there will be a system in place to continue the management of the Brownfield RLF program in a seamless manner. These four employees will all work closely with the program; in the instance that any one of them should depart, the other three staff members can carry out the functions of the program. There are also four more staff members capable of fulfilling the duties for the management of this program. They will also be made aware of the how the program works, and be kept up to date of major milestones and updates of the project. One of these additional employees of the NKADD Public Administration and Development (PAD) Division will serve as the back up to any Brownfield RLF staff members who leaves. The NKADD PAD Division has always maintained a highly competent and educated staff. They work closely with surrounding municipalities and universities to recruit their extremely proficient staff.

A systematic filing system will be kept in place; this will include both electronic and hard copies. All four NKADD Brownfield RLF staff members will at any time know where these files are kept, how they are maintained and updated, and will have access to them. All information pertinent to the project including correspondence through email will be retained. Should a staff member leave the NKADD or the project team there should be no effect on neither daily nor long term operations and management of the Brownfield RLF Program.

The NKADD has a highly experienced staff dedicated to the implementation and sustainability of this program. The team dedicated to implementing the Brownfield RLF will include a Project Manager, a Lending Specialist, and two staff members.

Elishia Chamberlain, Community Development Planner (*Brownfield RLF Project Manager*)
Elishia Chamberlain has been with the NKADD since March of 2007 and serves as a Community Development Planner. She has successfully administered multiple federal grants, as well as served as the project manager on the current LRG Brownfield Coalition Petroleum Assessment Project. Elishia is the personnel leading the formulation and implementation of the NKADD's Brownfield Program. She is certified as a Community Development Block Grant Administrator. She has her Bachelor's degree from Northern Kentucky University (NKU) and a Master of Public Administration also from NKU.

Andrew Baker, Public Administration Specialist, Small Business Loan Fund Manager (*Brownfield RLF Lending Specialist*)
Andrew Baker has been with the NKADD since January of 2007 and serves as both a Public Administration Specialist as well as the Small Business RLF Loan Fund Manager. He has successfully administered the RLF program for three years. Andy also has experience as a Branch Sales and Service Representative at National City Bank. He holds a B.S. in Public Affairs, Urban Management and Policy from Indiana University. He holds his Master of Public Administration from NKU.

Laura Kenney, Administration and Development Specialist (*Planning, Brownfield RLF Staff*)
Laura has over 14 years experience in Community Planning that includes experience as a Loan Analyst for Dayton, OH and a Community Development Manager for the City of Ocala, FL. She was the Officer for the City of Cincinnati for 10 years implementing SBA and a commercial industrial RLF. She currently works at the NKADD on Hazard Mitigation Planning, as well grant management. Laura earned her B.A. in Public Administration from the University of Dayton.

Shannon Ratterman, Development Planner (*Planning, Brownfield RLF*)
Shannon Ratterman has recently joined the NKADD staff as of June 2011. Prior to this, Shannon was a student at the University of Cincinnati where she earned her Masters degree in Community Planning, and a B.S. in Civil and Environmental Engineering. Since coming to the NKADD, Shannon has assisted with administering the current LRG Brownfield Coalition Petroleum Assessment Grant and with advancing the NKADD's Brownfield Program. Shannon is currently pursuing her CDBG Certification and works on administering various grants in the area. She also works on planning related projects like Downtown Market Studies, Zoning Codes, and mapping projects with GIS.

ii) Adverse Audits
The NKADD has successfully administered a vast number of Federal and State Grant Projects throughout the eight county region. All guidelines have always been followed, and there has never been an adverse audit for the NKADD's management services. These grant sources include but are not limited to HUD's City Development Block Grants, Kentucky Infrastructure Authority, Kentucky Transportation Cabinet Grant Programs, Safe Routes to School, and EDA Grant Programs.

iii) Past Performance
The LRG Brownfield Coalition was successfully awarded a Petroleum Assessment Grant in the amount of $200,000. At this time the initial phases of the project are meeting suggested EPA timelines. This includes creation of a work plan, attending the Region 4 Conference, partnering with community groups and various agencies to create an inventory of petroleum sites, procurement of a reputable and successful environmental consultant, the Kick-Off Meeting, community engagement meetings, three completed Phase I ESAs, four scheduled Phase I ESAs, and four scheduled Phase II ESAs. The LRG Brownfield Coalition has submitted all of their quarterly and semi-annual reports slightly ahead of schedule. At this time the full balance of $136,273.42 is yet to be drawn down. Currently the LRG Brownfield Coalition is still following their proposed timeline listed within their work plan. By the end of 2011 over half of the projected Phase I ESAs will be complete, and four of the five Phase II ESAs will be complete. It is estimated that by October 2012 all assessments will be complete, and is also forecasted that there may be enough funding to complete additional assessments. There is already discussion of one site (Phase II Assessment occurring in December 2011) being taken through to full redevelopment.

3. Community Engagement and Partnerships

a. Community Engagement

The NKADD will seek many avenues of community outreach and education pertaining not only to this particular project, but to redevelopment and environmental health of the NKY Region as a whole. It is the NKADD's intent to make their Brownfield Program a community wide project. The NKADD has a long history of working with municipalities from all eight counties, as well as other government agencies, nonprofits, special districts, and private business. Their ties to the communities through these groups allow for impactful community outreach in all of their services. The NKADD has furthered this tie to the region through their management of the LRG Brownfield Petroleum Assessment Project. The LRG Brownfield Coalition has a commission of multiple groups including universities, sanitation districts, health districts, chamber of commerce, planning commission, and neighborhood associations. All of these members are dedicated to the full cleanup of brownfield sites in the region; the relationship the NKADD has formed with these groups will greatly assist in community engagement as they fully represent the region.

The NKY Tri-ED, the region's economic development agency, has agreed to serve as a supporting partner in this endeavor. They will assist in marketing the program to investors. The private sector is always a difficult one to reach. Oftentimes local businesses are managed from a different locale. The NKY Tri-ED works with these types of private sector businesses and will be able to assist us in our efforts to market and educate them.

Public notices will be made in various media outlets, community meeting areas, and through the NKADD regional newsletter. The intent of this large array of announcements will be to draw in the citizenry as well as multiple stakeholders including borrowers, redevelopers, and all other stakeholders. Many of the neighborhood organizations will be represented through our partners already, and all others will be invited to attend meetings (public meetings, and community forums) as well as send their thoughts and recommendations to the NKADD through phone, letter, or email. Project brochures will be created and distributed throughout the community as well as provided at all partner agency locations. We will also be working diligently with both NKY Tri-ED and Vision 2015 to ensure all stakeholders and developers in the region are aware of the project, its goals, and our desired result. Their input will be vital. All of these forms of engagement are currently being employed during the initial stages of the NKADD Brownfield Program, and will be utilized for the Brownfield RLF. The various avenues for community outreach have been extremely successful thus far, and the NKADD is monitoring this success to make any changes necessary for optimal community participation in future Brownfield Programs.

The NKADD will work to guarantee that all special populations are notified, educated on, and allowed comment on the Brownfield RLF. They are working to ensure that various neighborhood groups as well as universities, business representatives, and varying agencies that represent their communities are involved in the Program. These agencies will be utilized in an advisory capacity to the NKADD to better their ability to gain community input as well as educate the community. These groups represent the young, elderly, special demographics including our large Latino population, low income, and all other demographics. Great strides will be made to meet the needs of various demographics through use of volunteers that can cater to communicating all information in specific languages (Spanish for the large Latino and Hispanic population) and in various ways for those with special communication needs. This may be done through tailored announcements, brochures, or translators. These volunteers will be involved individuals from the community. Each demographic has specific leaders that represent their requests and needs. We will be in contact with these leaders to assist in outreach efforts to those who require modes of communication outside of the typical meetings and written announcements.

The NKADD has a workforce division with a job training program. The Brownfield RLF staff will work with the Workforce Coordinator and the Job Coaches in order to incorporate the job training program into the Brownfield RLF Program. It is likely that their clients could partake in some job training during the planning phase. With so

many clients it is extremely likely that as redevelopment occurs, many of these clients will able to find gainful employment throughout the region. A program will be put into place to ensure that there are a percentage of these jobs are marketed towards job training clients, or that job training opportunities are offered.

b. Partnerships with Environmental and Health Agencies

The NKADD plans to work and build partnerships with as many environmental and health agencies as possible. The Northern Kentucky Health Department has a history of working closely with the NKADD and this relationship will be utilized in the management of the Brownfield RLF Program. They will be an excellent resource not only for the data and information they can provide, but as a voice for the overall health and health concerns of the community. The NKADD also intends to use the Northern Kentucky Health Department as a resource to educate the community on the way that the Brownfield redevelopment will benefit them from a health standpoint. They will be able to assist in responding to any concerns the stakeholders and residents may have in regards to health hazards. The NKADD also has an excellent relationship with Sanitation District 1 (SD1), the region's primary sewer district, and will use their expertise in the watershed protection within this program. This program seeks to work towards eliminating harmful and hazardous waste from watershed to enhance overall health and better protect the environment throughout the Northern Kentucky region. This will coincide with any USEPA requests for health monitoring, and health planning for the LRG. The overall health and vitality of the eight county Northern Kentucky region is at the forefront of this program.

The NKADD is also in the progress of assisting a local community college with developing a job training program for careers in the environmental field. The NKADD will be helping the college to apply for and manage an EPA Job Training grant so that the jobs being created by the investment in redeveloping brownfields in the area can go to well-trained local residents. This program will work well with the existing Workforce Development Division housed at the NKADD. The Division works to connect job seekers with educational, training, and hiring opportunities in the region.

c. Community Based Organizations

The NKADD has relationships with a great number of community based organizations due to their extensive service to the Northern Kentucky community over the past 40 years. Specifically regarding the NKADD Brownfield Program, many organizations are already involved through the LRG Brownfield Coalition. These groups include universities, planning commissions, neighborhood organizations, health department, sanitation districts, and local business groups. Many of these groups are interested in extending their partnership to include our regional program as it moves forward. Having community input from a wide base of representation will pose no problem to the NKADD.

We have three partnering groups for this particular grant: the Urban Partnership of Covington, Carroll County Community Development Corporation, and the Kenton County Conservation District. All three of these partnering agencies, representing both our urban and rural areas, have submitted letters of support contained within our appendix. The Carroll County Community Development Corporation and the Urban Partnership of Covington will be able to serve as a liaison between the NKADD program and the business community. The Kenton County Conservation District will be able to serve in an advisory capacity for decisions to be made regarding the impact of contaminants on their surrounding soil and water bodies. All three organizations will also be able to help publicize the availability of the RLF to any property owners or developers looking for opportunities with brownfield redevelopment. These partners alone will allow for the NKADD to keep community needs at the forefront of this program, as well as maintain communication between the community and the municipalities in regards to specific wants and needs. This in tandem with the many other community based organizations the NKADD has working relationships with will be key in making this program a great success.

4. Program Benefits

a. Welfare and/or Public Health

Historically, northern Kentucky has been a wealth of industrial and commercial activities that have provided goods, services, jobs, and a comfortable economic well-being to the area. The activities of these companies however, has also damaged the local environment and left behind many brownfields. Sites cleaned up under this grant will be renewed as a valuable economic resource for the area and will allow for cleaner, healthier companies to be brought back to the abandoned spaces.

The environmental degradation caused by brownfields in the area ranges from small isolated sites, to vast contamination spreading into the region's ground and surface water supply. For example, in 2007, a large percentage of the regional water district customers obtained water from the Taylor Mill intake located on the Licking River, in an area identified to have potential brownfield sites. Another example is Banklick Creek, a polluted creek, affected in part by urban issues such as runoff from likely brownfield sites. Banklick Creek flows through Covington and many other communities on its way to the Northward-running Licking River that empties into the Ohio River. The Ohio River is the major supplier of potable water for major cities in two states. In 2004, the EPA commissioned a report detailing pollution problems in this and many other rivers. The report told of chemicals found in the River such as polychlorinated biphenyls (PCBs) and dioxins, two of the world's most toxic man-made chemicals. These chemicals have been linked to health issues like cancer, brain damage, and problems with the immune system. Despite being banned for more than a decade, these chemicals still show up because of their inability to break down over time. Industrial sites that once used such chemicals in their production may still be home to the chemicals and continuing to leach them into the water system. Cleaning up brownfield sites in the area would aid in creating cleaner streams and waterways not just in the northern Kentucky region, but could do a small part in helping many other communities downstream on the Ohio.

In one of the region's more rural counties, the city of Carrollton is experiencing harmful effects of ground water contaminated by trichloroethylene (TCE). Since 1988 when the chemical was identified, Carrollton has been able to address the problem through treatment for its drinking water supply, but they still fear its harmful effects through other exposure pathways. Studies conducted by the City were able to trace at least one of the sources of TCE to a former manufacturing site. As the chemical continues to spread through the ground and ground water systems, it is putting much of the population in danger. The most recent population information available for Carrollton is from the 2000 census and shows a large percent of its citizens to be members of sensitive age groups, with 19% children, 17.7% elderly, and 36.5% women of child-bearing age. These numbers include pregnant teens that are already at a higher risk for infant health problems. This is a special concern for Carrollton as Carroll County had the highest teen pregnancy rate in the state as of 2007 and experiences high rates of low weight and pre-term births (8% and 11% respectively).

This assessment grant will eventually lead to reinvestment in blighted neighborhoods; Disinvestment has been high in these Community Development Block Grant eligible neighborhoods, creating health and safety issues. The deteriorating structures invite crime, and create health risks. It is very likely that substances in the groundwater, asbestos, solvents, underground tanks, and other potential contaminants exist and exceed acceptable levels in these areas.

In order to protect the population during the work of assessing the selected sites, the NKADD will contract with a professional engineer with experience in following EPA guidelines. The Program staff at the NKADD will monitor assessments and will establish a public mechanism for communicating issues. For example a phone number will be published for registering any comments, issues, etc. Also, a web page presence will be developed for communicating the activities of the Program and the grant, including means for registering any comments. Other publicity resources will also be utilized such as regional, county, and city newspapers and www.nky.com. The NKADD will also communicate regularly with the Northern Kentucky District Health Department on the status and activities of the project.

b. Economic Benefits or Greenspace

i) Economic Benefits

There is already great potential for redevelopment of brownfield sites throughout the entire eight county NKY Region. The region is growing at exponential rates, and it is imperative to utilize the space already created for industry. All eight counties have sites that are either unused or underutilized due to brownfields. As these sites are cleaned up there will major opportunity for expanded tax base through both the introduction of new business, and the revenues from new sustainable job creation. Not only are the spaces available for cleanup and redevelopment, but the NKADD has a Job Training program that will allow expedient filling of positions. Payroll taxes are a leading source of revenue for many of the NKY communities, and increases in revenue will increase the likeliness for overall brownfield cleanup in these communities.

ii) Greenspace Benefits

The NKADD is currently serving as the administrative and fiscal agent for the LRG Brownfield Coalition. The entire LRG Project is a greenspace initiative which promotes a sustainable greenway, park systems, watershed cleanup, pedestrian and cyclists use, and overall healthy living. As the LRG Brownfield Coalition moves forward with the assessment and remediation planning of sites funds will be needed for cleanup. Property owners may choose to use the NKADD's expertise in planning, as well as seek lending opportunities through the RLF Program. In this facet, the NKADD will be directly supporting a major greenspace initiative. The NKADD will also continue to investigate with their other community partners other greenspace plans that could benefit from the NKADD Regional Brownfield Program.

c. Environmental Benefits from Infrastructure Reuse/Sustainable Reuse

The redevelopment process of brownfield sites will provide the NKADD with many opportunities to promote sustainable clean up and reuse techniques. Many of the sites already identified as potential brownfields are located in highly urban and industrialized areas that are well served by existing infrastructure. By using these locations for infill development, the region can help slow down the rampant development sprawling out toward rural areas. Developers interested in using these sites will enjoy coming to a site already equipped with utilities, a close proximity to many major highways, railroads, a major airport, and in many of the region's northern cities, the users of the site will also benefit by being close to local public transit like the Transit Authority of Northern Kentucky, or TANK, bus service.

Some of the potential brownfield sites have already been identified as being ideal for green space uses. Vision 2015, the comprehensive plan for the Northern Kentucky area, lays out one of its goals as being to create more livable communities. One of their strategies to achieve this goal is to establish an integrated system of parks, trails, green spaces, and tourist destinations. The Licking River Greenway (LRG) and Trails Masterplan is one example of how progress is already being made toward this goal. The Masterplan seeks to create a network of parks and trails along the Licking River in Kenton and Campbell Counties. The LRG Brownfield Coalition has already obtained a Petroleum Assessment Grant with the intent to identify and assess many potential brownfields in the area with hopes of using them as part of their network of parks and trails. The NKADD currently oversees this grant and hopes to be able to use the Brownfield RLF as one solution for helping to clean up the sites identified by the Coalition. Having these green spaces will be a sustainable reuse of the sites and provide habitat for plants and wildlife that will benefit both the environment and the citizens of the community.

When negotiating with potential site developers, the NKADD will give priority to those that demonstrate a commitment to cleaning up and redeveloping the site in a sustainable way. NKADD will look favorably and help educate developers expressing an interest in energy efficiency, water management techniques, green remediation, construction and demolition materials recycling, diesel emissions reductions, and renewable energy on a Brownfield site. In order to protect the population during the work of assessment and clean up of the selected sites, the NKADD will ensure that developers contract with a professional engineer with experience in following EPA guidelines.

Attachments

Threshold Criteria

- The five required sections of the threshold criteria addressing eligibility, description of jurisdiction, letters from the state, legal opinion, and cost share.

Letter from the State

- Letter of support for Brownfield Grant from Kentucky Energy and Environment Cabinet

Documentation of Eligibility

- KRS **147A.050**

Legal Opinion

- Legal opinion stating the NKADD's legal authority to act as a lending agency under the guidelines of the US EPA Brownfield RLF

Letters of Support

- Carroll County Community Development Corporation
- Covington Business Council Urban Partnership
- Kenton County Conservation District

Special Considerations Checklist

Northern Kentucky Area Development District
Brownfield RLF

Threshold Criteria for Brownfield RLF Grants

1. Applicant Eligibility

The Northern Kentucky Area Development District (NKADD) is a government entity created by the state legislature (see attached KRS **147A.050**). The NKADD is a means by which local officials and citizens unite to provide for the planned growth of their area. They are therefore a regional organization that assists in the formulation and implementation of human resource and infrastructure related plans. The NKADD currently serves the eight most northern counties in Kentucky. The organization has a long and successful history in working with local governments to implement programs and projects that serve the community. The NKADD does not currently have an existing Brownfields RLF cooperative agreement.

2. Description of Jurisdiction

The NKADD will use the Brownfield Revolving Loan Fund to benefit its jurisdiction of the eight northern counties in Kentucky. These counties include: Boone, Kenton, Campbell, Carroll, Gallatin, Owen, Grant and Pendleton Counties.

3. Letter from the State

A letter from Mr. Herb Petijean with the Kentucky Brownfield Program Division of Compliance Assistance in support of the proposed funding request has been included as an attachment.

4. Oversight Structure and Legal Authority to Manage a Revolving Loan Fund

a. The NKADD will ensure that loan recipients hire a qualified Environmental Professional capable of overseeing cleanup at the sites. Work will only be allowed to begin once the technical expert is in place and it has been demonstrated that the competitive procurement provisions of 40 CFR 31.36 were followed when choosing the Environmental Professional. The need for the recipients of loans to enroll in the Kentucky Voluntary Cleanup Program will be determined on case by case basis considering environmental impact and economics of the project. All cleanups will be subject to prior consultation with the US EPA to ensure protection of human health and the environment.

b. A legal opinion from the NKADD Attorney that demonstrates applicant's legal authority to perform the actions necessary to manage a revolving loan fund and secure sites in the event of an emergency or default of a loan agreement or non-performance under a subgrant is attached.

5. Cost Share

For the proposed funding grant of $1,000,000, the NKADD will be providing a 20 percent cost share of $200,000.

The first 10 percent, or $100,000, will be paid in the form of a donation of programmatic costs from the NKADD. These programmatic costs will cover activities that are integral to achieving the purpose of the grant such as costs of loan processing, professional services, or overseeing the borrower's activities to ensure compliance with relevant and appropriate requirements.

The second 10 percent, or $100,000, will come from one of two sources. NKADD is currently in negotiations with some local private corporations to provide an upfront investment in the Brownfield Revolving Loan Fund Project. The money would be repaid to the corporation through interest gained from the repayment of the loans. These corporations are all community stakeholders and have a vested interest in cleaning up the region. The second funding option is to raise the 10 percent match from private companies wanting to use money from the Revolving Loan Fund to clean up their property.

ENERGY AND ENVIRONMENT CABINET

Steven L. Beshear
Governor

Leonard K. Peters
Secretary

DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF COMPLIANCE ASSISTANCE
300 FAIR OAKS LANE
FRANKFORT, KENTUCKY 40601
PHONE (502) 564-0323
FAX (502)564-4245
www.dep.ky.gov

October 19, 2011

Lisa Cooper, Executive Director NKADD
Northern Kentucky Area Development District
22 Spiral Drive
Florence, KY 41042

Re: Letter of Support for Brownfield Grant Application from NKADD

Dear Ms. Cooper:

The Kentucky Department for Environmental Protection (DEP) is supportive of, and committed to, the work of the Northern Kentucky Area Development District to address brownfield sites in your region of Kentucky. DEP is the state agency charged by the legislature with the responsibility of implementing the Kentucky equivalent of the federal Superfund program, and as such, is an essential component of any attempt to systematically address brownfields redevelopment. I support NKADD's application for a Brownfield Revolving Loan Fund Grant and look forward to continuing our work with the District on this important issue.

Sincerely,

Herbert Petitjean

Herbert Petitjean
Brownfield Coordinator

HCP:hp

ec: Elishia Chamberlain (NKADD)
Amanda LeFevre (Brownfield Outreach Coordinator)
Kenya Stump (Division of Compliance Assistance)
Shawn Cecil (Superfund Branch)
Michael Fant (Division of Waste Management, Florence Regional Office)

147A.050 Area development districts created.

There is hereby created and established in the Commonwealth fifteen (15) area development districts consisting of the following counties:

(1) Purchase Area Development District which shall include the counties of Ballard, Carlisle, Hickman, Fulton, McCracken, Graves, Marshall, and Calloway;

(2) Pennyrile Area Development District which shall include the counties of Livingston, Crittenden, Lyon, Caldwell, Hopkins, Muhlenberg, Trigg, Christian and Todd;

(3) Green River Area Development District which shall include the counties of Union, Henderson, Webster, McLean, Daviess, Ohio and Hancock;

(4) Barren River Area Development District which shall include the counties of Logan, Simpson, Butler, Warren, Edmonson, Hart, Barren, Allen, Metcalfe and Monroe;

(5) Lincoln Trail Area Development District which shall include the counties of Breckinridge, Meade, Grayson, Hardin, Larue, Nelson, Washington, and Marion;

(6) Jefferson Area Development District which shall include the counties of Bullitt, Henry, Jefferson, Oldham, Shelby, Spencer and Trimble;

(7) Northern Kentucky Area Development District which shall include the counties of Boone, Kenton, Campbell, Carroll, Gallatin, Owen, Grant and Pendleton;

(8) Buffalo Trace Area Development District which shall include the counties of Bracken, Mason, Robertson, Fleming and Lewis;

(9) Gateway Area Development District which shall include the counties of Rowan, Bath, Montgomery, Menifee, and Morgan;

(10) Fivco Area Development District which shall include the counties of Greenup, Boyd, Carter, Elliott, and Lawrence;

(11) Big Sandy Area Development District which shall include the counties of Johnson, Magoffin, Martin, Floyd, and Pike;

(12) Kentucky River Area Development District which shall include the counties of Wolfe, Owsley, Lee, Breathitt, Leslie, Perry, Knott, and Letcher;

(13) Cumberland Valley Area Development District which shall include the counties of Jackson, Rockcastle, Laurel, Clay, Knox, Whitley, Bell, and Harlan;

(14) Lake Cumberland Area Development District which shall include the counties of Taylor, Adair, Green, Casey, Russell, Pulaski, Clinton, Cumberland, Wayne, and McCreary; and

(15) Bluegrass Area Development District which shall include the counties of Anderson, Franklin, Woodford, Mercer, Boyle, Lincoln, Garrard, Jessamine, Fayette, Scott, Harrison, Bourbon, Nicholas, Clark, Madison, Powell, and Estill.

History: Created 1972 Ky. Acts ch. 125, sec. 1.

Frost Brown Todd LLC
ATTORNEYS

Robert D. Hudson
Member
859.817.5909
rhudson@fbtlaw.com

November 14, 2011

Ms. Elishia Chamberlain
Northern Kentucky Area Development District
22 Spiral Drive
Florence, Kentucky 41042-1300

Re: Legal Opinion

Dear Elishia:

Thank you for asking us to provide an opinion on behalf of the Northern Kentucky Area Development District ("NKADD") about the scope of its legal authority. The NKADD is a public agency of the Commonwealth of Kentucky, with statutory legal authority which emanates from KRS Chapter 147A. KRS 147A.980 vests the NKADD Board of Directors to do the following:

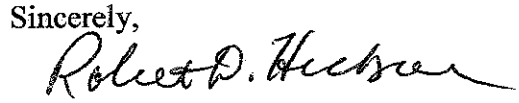
1. Make and enter into all contracts or agreements necessary or incidental to the performance of NKADD duties.

2. Accept, receive and administer loans, grants, or other funds or gifts from public and private agencies including the Commonwealth and the federal government for the purpose of carrying out the functions of the NKADD.

3. Acquire, hold as may be necessary or convenient, encumber, or dispose of real and personal property.

Broadly stated, a purpose of the NKADD is to promote regional cooperation and economic development. Through KRS 147A (its powers of which have not been limited through Articles of Incorporation or other Board action) the NKADD has the legal authority to (1) access and secure sites in the event of an emergency or default of a loan agreement or non-performance under a subgrant; and (2) perform the actions necessary to manage a revolving loan fund, including the ability to hold funds, make loans, enter into loan agreements, and collect re-payments.

Sincerely,



Robert D. Hudson

RDH:mjd
CINLibrary 0116863.0566611 2412412v1

CARROLL COUNTY
COMMUNITY DEVELOPMENT
CORPORATION

November 9, 2011

Elishia Chamberlain
Northern Kentucky Area Development District
22 Spiral Drive
Florence, KY 41042

Re: Letter of Support for U.S. EPA Brownfields Revolving Loan Fund Grant

Dear Ms. Chamberlain:

On behalf of the Carroll County Community Development Corporation, I offer our strong support for your application to the U.S. Environmental Protection Agency for funds to create a Revolving Loan Fund to help finance Brownfield clean-up.

For almost 30 years the Carroll County Community Development Corporation has spear-headed efforts to further economic development and increase the quality of life in Carrollton and Carroll County. As we work with local developers, we will be able to suggest potential brownfield sites for redevelopment, and we will inform them of the Revolving Loan Fund and help them make contact with NKADD.

We are proud to be a part of this important environmental and economic development initiative, and we appreciate all the resources you provide to your member counties. We hope that EPA will look favorably on your grant application, and we look forward to working with you.

Sincerely,

Joan Moore

Joan Moore
Executive Director

511 Highland Avenue • P.O. Box 334, Carrollton, Kentucky 41008
Phone: 502-732-7035 • Fax: 502-732-7028 • e-mail: development@carrollcountyky.com
WEB ADDRESS: www.carrollcountyky.com

COVINGTON BUSINESS COUNCIL

UP Urban Partnership COVINGTON

November 4, 2011

Elishia Chamberlain
Northern Kentucky Area Development District
22 Spiral Drive
Florence, KY 41042

RE: Brownfield Revolving Loan Fund Application

Dear Ms. Chamberlain:

The Covington Business Council and the Urban Partnership of Covington enthusiastically support the concept of a Brownfield Revolving Loan Fund (RLF) model.

The CBC's mission is to advocate for a healthy business climate. UP's mission is to create a business friendly environment that both strengthens our existing business partners and attracts new businesses to the city. Our stakeholders are intrigued by the potential of the loans as an incentive to investors to developed vacant, languishing sites. This will hopefully leverage other resources available to public and private groups.

We are also interested in direct involvement in the following ways:

- Increasing community awareness of the RLF once it is implemented;
- Suggesting sites for redevelopment in interactions with developers;
- Supporting through public means job training programs that prepare potential employees for work in related fields.

Should you have any questions related to our support contact me directly at 859-431-1500, extension 1 or pfrew@cbcky.com.

Sincerely,

Pat Frew
Executive Director

50 E. RiverCenter Blvd., Suite 160, Covington, KY 41011 (859) 431-1500
pfrew@cbcky.com

Boone County Conservation District
6028 Camp Ernst Road
Burlington, KY 41005
Phone: 859-586-7903
http://www.boonecountyky.org/bccd/
E-mail: Boone@nkcd.org

Campbell County Conservation District
8351 East Main Street, Suite 104
Alexandria, KY 41001
Phone: 859-635-9587
http://home.fuse.net/campbellcd
E-mail: Campbellcd@fuse.net

Kenton County Conservation District
6028 Camp Ernst Road
Burlington, KY 41005
Phone: 859-586-7903
http://www.kentoncounty.org
E-mail: Kenton@nkcd.org

www.nkcd.org

Kentucky Conservation Districts are governmental subdivisions of the state, organized under Kentucky Revised Statute 262. Conservation Districts are responsible for protecting our soil, water and other natural resources. Conservation districts were established in the early 1940s by a referendum of the citizens of the county. Seven locally-elected officials, who serve a four-year term without pay, govern each conservation district. Conservation districts make technical and financial help available to reduce soil erosion, prevent water pollution, and maintain and improve the quality and productivity of our farmlands, forests, and other natural resources.

All programs and services of the Conservation Districts are offered on a nondiscriminatory basis without regard to race, color, national origin, sex, sexual orientation, age, disability, political beliefs, and marital or familial status.

17 November 2011

Elishia Chamberlain
Northern Kentucky Area Development District
22 Spiral Drive
Florence, KY 41042

RE: Brownfield Revolving Loan Fund Grant

Dear Ms. Chamberlain,

Please accept this letter in support of the Brownfield Revolving Loan Fund Grant application from the Northern Kentucky Area Development District (NKADD).

Conservation Districts are governmental subdivisions of the state, organized under Kentucky Revised Statute 262. The purpose of a conservation district is to conserve and develop all renewable natural resources within the district. In so doing, the district is authorized to undertake, sponsor, or participate in projects, activities and programs which promote the conservation, development, maintenance and use of the land, water, trees and other renewable natural resources of the district.

The Boone, Campbell and Kenton County Conservation Districts support the work of the NKADD in identifying, assessing, cleaning up and redeveloping brownfield sites in region. We support the effort to develop a Brownfield Revolving Loan Fund to further this work.

To assist the NKADD in their work, the conservation districts will promote the loan program through their official publications and work with landowners, and other agencies and organizations. The conservation districts will also make a representative available to assist in an advisory capacity to identify and prioritize sites from an environmental standpoint. Although there are three separate governing bodies, the conservation districts share staff who are knowledgeable about properties and issues in the three counties. The conservation districts may also be able to assist in other ways as the project develops.

We appreciate the opportunity to work with the NKADD on this project. Please contact me if you need any further information.

Sincerely,

Mary Kathryn Dickerson

Mary Kathryn Dickerson, District Coordinator

Boone County Conservation District
Campbell County Conservation District
Kenton County Conservation District

Northern Kentucky Area Development District
Brownfield RLF

Special Considerations Checklist

Please identify (with an X) if any of the below items apply to your community or your project as described in your proposal. EPA will verify these disclosures prior to selection of the grant.

⊗ Community population is 10,000 or less

	Boone	Campbell	Carroll	Gallatin	Grant	Kenton	Owen	Pendleton
Population	118,811	90,336	10,811	8,589	24,662	159,720	10,841	14,877

The table above shows populations for each of the eight counties in the Northern Kentucky region. One of the counties (Gallatin) falls under the 10,000 threshold. Each of the counties however, contain multiple cities. Many of these cities fall well under 10,000, for example: Union (5,379) in Boone County, Melbourne (401) in Campbell County, Carrollton (3,938) in Carroll County, Williamstown (3,925) in Grant County, Ludlow (4,407) in Kenton County, Owenton (1,327) in Owen County, and Falmouth (2,169) in Pendleton County. This is just to name a few.

○ Federally recognized Indian tribe

○ United States territory

○ Applicant assisting a Tribe or territory

○ Targeted brownfield sties are impacted by mine-scarred lands

○ Targeted brownfield sites are contaminated with controlled substances

⊗ Community is impacted by recent natural disaster(s)

The City of Falmouth, which is located in Pendleton County, was the subject of a flood in March of 1997 that killed 5 people and caused $35 million in damages. Over 80% of Falmouth was inundated with water and almost the entire town of 2,400 residents was evacuated. *Source: http//www.ncdc.noaa.gov/oa/ncdc.html*

○ Community demonstrates firm leveraging commitments for facilitating brownfield project completion by indentifying amount and contributors of funding in the proposal and have included documentation

○ Community experiencing plant closures (or other significant economic disruptions), including communities experiencing auto plant closures due to bankruptcy

○ Applicant is a recipient of a HUD/DOT/EPA Partnership for Sustainable Communities grant.