



Brownfields and Empowerment Zones/ Enterprise Communities

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower States, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA's Brownfields Initiative strategies include funding pilot programs and other research efforts, clarifying liability issues, entering into partnerships, conducting outreach activities, developing job training programs, and addressing environmental justice concerns.

COMMUNITY EMPOWERMENT THROUGH EZ/EC

The Empowerment Zone/Enterprise Community (EZ/EC) program is designed to empower communities across the nation by inspiring people to work together to create jobs and opportunities. Specifically, an EZ or EC is a distressed community that the Federal government has targeted to receive substantial investment of Federal technical resources to encourage private sector development, job growth, and entrepreneurship.

In December 1994, the Department of Housing and Urban Development (HUD) designated six urban EZs and 65 urban ECs, and the Department of Agriculture (USDA) designated three rural EZs and 30 rural ECs. This first round of EZ/EC applications and selections was guided by four key principles: economic opportunity; sustainable development; community-based partnerships; and a strategic vision for change.

Designated EZs and ECs have a range of tools available to maximize the flow of private capital and investment to their nominated areas. Since its inception, the EZ/EC authority has provided more than \$2.5 billion in tax incentives and \$1.3 billion in grants to 104 urban and rural communities in 42 states.

COORDINATING FEDERAL EFFORTS

On September 9, 1993, the President issued a memorandum creating the Community Empowerment Board (CEB). The CEB was formed to provide regulatory relief and priority responsiveness for EZ/EC communities from the 17 Federal agencies on the Board. Specifically, the CEB is working with all EZ/EC communities that have submitted a strategic plan for revitalization by collaborating across government programs to overcome programmatic, regulatory, and statutory impediments, and to encourage more effective economic, environmental, and community development strategies. EPA is an active member of the CEB.

In March 1996, the Clinton Administration proposed a second round of EZ/EC funding to continue to stimulate economic opportunity in America's distressed communities. Specifically, the Administration proposed to designate 20 EZs (15 urban, 5 rural/Tribes) and 80 ECs (50 urban, 30 rural/Tribes). The selected communities would receive a combination of tax incentives, direct grants, and priority consideration from the CEB. Each new EZ could receive up to \$75 million in direct grants over three years, while each new EC could receive direct grants of up to \$3 million over three years. This proposal would require

approval by Congress. As with the first round of EC/EZ designations, the Administration has challenged communities to develop their own comprehensive plans for revitalization, with the input from residents and a wide array of community partners. Federal investment would be made in those communities that develop the most innovative plans and that have garnered significant local and private-sector commitments.

In addition, the Small Business Administration has agreed to target some of its considerable lending and community development tools to small and minority businesses in distressed communities and underserved markets.

EC/EZ AND BROWNFIELDS

In the EZ/EC application process, communities were asked to identify regulatory barriers to economic development. Brownfields-related problems were frequently cited as impediments to redevelopment. After the last round of EZ/EC designations were made, many communities requested assistance on brownfields-related issues from EPA. Of the 78 Brownfields Assessment Demonstration Pilots, 35 have been awarded to EZ/EC designated communities.

EPA's involvement in specific EZs has also included:

- awarding \$50,000 in discretionary funds to retrofit homes with water saving devices in the Atlanta EZ;
- providing technical assistance to the Kentucky Highlands EZ in wastewater treatment and pollution prevention;

- providing technical assistance to construct wetlands, pollution prevention, and wastewater treatment to the Mississippi Delta EZ;
- assisting the Baltimore EZ to develop an eco-industrial park, including streamlining permitting processes; and
- developing a detailed Geographic Information System (GIS) report on Superfund sites in the Atlanta EZ and providing information for companies interested in redeveloping brownfields.

HUD AND EPA WORKING TOGETHER

In September 1996, EPA and HUD signed a Memorandum of Understanding to work cooperatively on brownfields strategies. The agreement states that the agencies will work together to identify and implement actions that link brownfields redevelopment activities with economic development and neighborhood revitalization. Specific actions that will occur include providing financial and technical assistance for State, Tribal, and local governments to integrate brownfields assessment into economic development planning, and supporting job training initiatives for brownfields assessment, cleanup, and redevelopment. Due to the large number of EZ/ECs interested in brownfields redevelopment, outreach to the EC/EZ community will be an integral part of this new agreement.

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