



CITY OF SOMERVILLE, MASSACHUSETTS  
**Office of Strategic Planning and Community Development**  
JOSEPH A. CURTATONE, MAYOR

**Office of the Executive Director**

**MEMORANDUM**

**TO:** Joseph A. Curtatone, Mayor

**FROM:** Monica R. Lamboy, Executive Director *ML*

**DATE:** September 23, 2010

**SUBJECT:** Request to accept a supplemental increase in the Brownfields Cleanup Revolving Loan (BCRLF) Program in the amount of \$400,000 from the U.S. Environmental Protection Agency (EPA)

---

The Office of Strategic Planning and Community Development (OSPCD) respectfully requests that you forward this staff report to the Board of Aldermen for their review and acceptance of a federal grant in the amount of \$400,000 from the U.S. Environmental Protection Agency (EPA). This award supplements the City of Somerville's (City) existing Brownfield Cleanup Revolving Loan Fund (BCRLF) program by offering new funds to help finance Brownfield sites that have economic development potential and public benefit through redevelopment.

**BACKGROUND**

In April 2006, the City of Somerville was awarded \$548,628 from the EPA to initiate a BCRLF. As with all EPA awarded Cleanup Grants, the EPA pays 83.23% of the amount for a total 2006 federal contribution of \$456,628. The recipient of the loan/grant pays the required match and no City are utilized.

In 2009, the City provided a small grant in the amount of \$29,000 to Community Action Agency of Somerville (CAAS) to assist with indoor air monitoring. Additionally in 2009, a loan was provided to KSS Realty, Inc. (61 Clyde Street, LLC) in the amount of \$423,000 to cleanup the MaxPac site. Specifically, the funds were used to remove contaminated rail ties and provide resources to demolish and remove portions of the existing structure which were contaminated with lead and asbestos. This loan is a deferred payment Promissory note. The loan proceeds shall be due and payable in full at zero percent (0%) interest, on the fifth (5<sup>th</sup>) anniversary of the date of the note with reasonable extensions of the maturity. When the repayment is made, those resources will be available to loan or grant to another project.

The City has built a strong relationship with the EPA through its many successes utilizing their grants in recent years to promote active and healthy communities and recently was been awarded supplemental funds to replenish the existing BCRLF program in the amount of \$400,000 from the EPA's 2010 award round. The match requirements remain the same and recipients of the loan/grants will be required to pay the match. The City is required to follow all applicable regulatory provisions under 40 CFR Chapter 1, Subchapter B, as well as all terms and conditions of the grant agreement between the City and EPA.

The supplemental BCRLF award is a testament to the confidence the EPA has in Somerville.

**RECOMMENDATION**

It is recommended that the Board of Aldermen accept the \$400,000 supplemental Brownfield Clean Up Revolving Loan (BCRLF) funds awarded from the U.S Environmental Protection Agency.