

CONGRESSIONAL TESTIMONY

“Building a 100 Percent Clean Economy: The Challenges Facing Frontline Communities”

Subcommittee on Environment and Climate Change
House Committee on Energy and Commerce’s

Date of Hearing: November 20, 2019

*Prepared and Submitted By: Patrick B. Ford, Executive Director,
Lebanon/Marion County Industrial Foundation
Lebanon, Kentucky 40033*

THE CHALLENGE

Frontline communities have been disproportionately impacted by pollution. That impact has affected the citizens and environment of those communities in the following ways:

Health or Welfare of Sensitive Populations: There are several environmental justice target areas in frontline communities that contain a concentration of sensitive populations. Sensitive populations include high concentrations of children less than 9 years of age who are living in poverty, all childbearing women aged 15 to 44, citizens over 65 years of age, and households with no vehicle available and no access to a computer or the internet. The unemployment rate in these areas is generally higher than the national average. After more than a century of prosperity fueled by the factories, railroad lines, and rivers that established the American Industrial Revolution, the people in these once prosperous areas have health challenges, higher than national averages of unemployment, and lower than national averages of labor participation rates. The positive economic impact of industry is gone, but the negative environmental impact remains.

Federal programs currently offered by the EPA and EDA allow frontline communities to target brownfield sites that disproportionately and adversely impact low-income and minority populations. These programs ensure that areas with high concentrations of frontline communities receive necessary technical and financial resources that allow them to reap economic and environmental benefits from private investments. Without front-end EPA and back-end EDA technological and financial assistance to alleviate environmental burdens, private investment might never be realized.

Incidence of Disease and Adverse Health Conditions: Many of our country’s frontline communities are situated near, or around, existing and former industrial sites that contain or discharge suspected and/or recognized toxicants such as heavy metals, solvents, polycyclic aromatic hydrocarbons, plasticizers, and insecticides. Many older educational, government, and commercial buildings contain asbestos and lead. Older

transportation service facilities pose risks from petroleum products. Industrial and energy production sites, that remain active, release airborne pollutants. Temperature inversions trap these pollutants in their respective region's river valleys. These facilities along with westerly winds contribute to an air quality problem that can lead to lung and cardio-vascular disease and cancer. Contaminants found in brownfield sites circulate with fine particulate matter in the air, eventually mix with storm water, penetrate groundwater, and finally enter our river watersheds. Exposure to toxic substances, historically used in mining, production, and manufacturing operations, has been directly linked to increased occurrences of asthma, respiratory irritations, lung disorders, and cancers.

Federal programs currently offered by the EPA and EDA allow frontline communities to target brownfield sites that disproportionately and adversely impact low-income and minority populations. These programs ensure that areas with high concentrations of frontline communities receive necessary technical and financial resources to mitigate each of these conditions. Without the front-end support to address and resolve these challenges, private re-investment might never be realized.

Economically Impoverished/Disproportionately Impacted Populations: Economic conditions are bleak in some frontline communities. High poverty, median household incomes substantially less than the national and state averages, and low population counts that fall between 5,000-20,000 people prevent local municipalities from drawing on traditional sources of funding to catalyze an economic renaissance. Shuttered gas stations, empty commercial buildings, and dilapidated houses line the streets of once-bustling industrial and commercial economies that are now characterized as homes to many of our frontline communities. These deteriorated structures attract trespassers, illicit activity, and contribute to spiraling disinvestment.

Federal programs currently offered by the EPA and EDA allow frontline communities to target brownfield sites that disproportionately and adversely impact low-income and minority populations. Without federal programs that provide necessary technical expertise and financial support, frontline communities will continue to suffer from structural deterioration that not only impacts the physical environment, but also the accelerates the erosion of the fabric of the community. Without front-end support to address and resolve these challenges, private re-investment might never be realized.

Career Opportunities for Frontline Communities (Meaningful employment is good medicine): Many of the people defined as frontline communities depend on the energy, chemical, value-added metals, transportation logistics, and agricultural industries for their livelihood. Without these employment opportunities, the choice is often between a poorly paid service-sector job or not participate in the workforce at all. Everything from a region's history and environment to its politics and culture is shaped by the industrial economy. Many historically industrialized regions of our country, where the job opportunities have vanished, struggle with poor health, higher crime rates, increased

occurrence of addiction, and higher concentrations of brownfield, abandoned, and/or dilapidated buildings.

Many of our geographically concentrated frontline communities were once dominated by coal, steel, glass, and chemical companies that were home to tens of thousands of blue-collar jobs. The collapse, and often death, of these manufacturing towns, once economic giants, accounts for the loss of about 43 percent, by some estimates, of all U.S. jobs. After 1950, the economies of these communities were no longer dominated by manufacturing. As factory jobs have faded, service-level jobs in education, healthcare, retail and restaurant work have stepped in as growing sources of employment. However, these are often low-skill, low-wage jobs. To truly revive the economies of frontline communities, local and state municipalities must create career highways to new manufacturing jobs. Career highways provide a direct route for residents of frontline communities to become a new statistic: counted among an expanded workforce with increased labor participation rates in family-sustaining jobs.

Federal programs currently offered by the EPA and EDA allow frontline communities to target brownfield sites that disproportionately and adversely impact low-income and minority populations. These programs ensure that municipalities with high concentrations of frontline communities receive necessary technical and financial resources to assist them in creating career highways. Without assistance to alleviate environmental burdens, private investment, that will expand the workforce and provide family-sustaining careers, might never be realized.

THE OPPORTUNITY

The eastern portion of the United States, between Kansas and Virginia, is experiencing enormous investment in energy exploration and infrastructure development. This same region is also experiencing rapid economic expansion and investments in the automotive, aerospace, chemical, healthcare, and agricultural industries. Municipalities serving frontline communities need to use the federal resources that are available to clean up and re-purpose brownfield sites, and then work with state and federal partners to make it a priority to locate new investment on these sites. Together, these initiatives can clean-up tarnished environments and create new employment opportunities, both of which would have a tremendous impact on the health and economy of frontline communities.

Infrastructure: Programs and initiatives at the EPA and EDA have allowed local governments and economic development organizations to weave sustainable principles, that benefit frontline communities, into growth management. This has made it possible to redirect growth from scattered fringe areas back into central business districts, where older and/or defunct plants were located, where people, services, and infrastructure already exist. By repurposing abandoned factories proximate to frontline communities, we provide opportunities for revitalization and build livable communities: efficient,

compact, vibrant neighborhoods integrated with public transportation, which offers a mix of uses as well as affordable housing. Brownfield sites, proximate to frontline communities, tap into existing infrastructure and limit the need to build new roads, gridlines, and amenities, reducing both project costs and land consumption. In effect, a targeted approach to using these federal programs, alongside a targeted industry recruitment strategy, allows frontline communities to jumpstart abandoned river terminals and rail corridors, improve existing and underutilized roads, and breath life back into idled water, sewer, gas, and power transmission lines.

Jobs (We need to fish where there are fish): Technical and financial resources beyond what an average post-production industrial town can offer are necessary to build a pipeline of workers from the frontline to industry clusters like energy, chemical, value-added metals, transportation logistics, agriculture, and healthcare. Educational and skills training are necessary in frontline communities. Several barriers keep training and career opportunities from being realized in frontline communities, including a lack of transportation, housing, childcare, healthcare and digital access. Communities require additional resources to be proactive in their redevelopment strategies to address the comprehensive needs of frontline communities.

Federal programs currently offered by the EPA and EDA allow frontline communities to target brownfield sites that disproportionately and adversely impact low-income and minority populations. Without these programs, limited and time-sensitive opportunities will be lost, land and monies will be misdirected, and the needs of frontline communities will mount.

THE SOLUTION

Local economic development agencies, working in challenged communities with frontline populations, do not have the financial and technical capacity to clean up and repurpose contaminated, dilapidated and/or abandoned properties to prepare them for economic development.

The grant programs offered by the EPA are the last federal program, to my knowledge, of all federal programs, that are eligible for "FRONT END" money, or "site-ready" money, that can be accessed to prepare sites for economic development, private investment, and job creation. Local economic development organizations cannot apply for development funds, from other federal agencies, unless the sites are cleaned up and have a "no further action" certificate. The ONLY money available to work toward getting that "no further action" certificate is from the EPA.

EPA assistance levels the playing field between brownfields and greenfields. The EPA has created programs specifically to reduce the risk of developing on brownfield sites; which without redevelopment would remain vacant and unkempt. Minimizing that risk is essential to attracting private investment to these sites.

Other programs at EDA and USDA are used as "BACK END" money to complete the infrastructure into a site or finalize work on a building that is already site-ready. A brownfield doesn't even become eligible for EDA or USDA money unless it is assessed and cleaned up (or remediated). In rural frontline communities, brownfields are among the last properties to be repurposed, and most would not be repurposed at all without EPA programs, technical assistance, or money.

For the last decade, I served as the executive director of an organization in West Virginia that utilized EPA and EDA grants and technical assistance to repurpose several abandoned steel mills, pottery factories, and strip mines. The first, and possibly highest, impact of this partnership was the reduction and elimination of toxic substances that were released into the air and water of our frontline communities. Substances removed included lead, asbestos, uranium, cobalt and arsenic. Testing before and after the application of EPA monies was one clear indicator of the success of this program, but another significant metric was that we were able to attract new national and international manufacturing businesses to our former brownfields sites.

Simply stated, EPA front-end programs provide a greater return on private investment, for every public dollar granted, than any other program in the federal government. Why? Because the EPA's brownfields program is one of the few, if not only, economic development tool that allows rural economic development officials to level the playing field in the competition with urban economic development officials, with the trophy being a cleaner, healthier environment that offers new employment opportunities to frontline communities.

HOW EXISTING FEDERAL PROGRAMS CREATED A CLEAN ECONOMY IN THE NORTHERN PANHANDLE OF WEST VIRGINIA

- 1. USEPA Investments (grants) in Brooke and Hancock Counties (2010-2019): \$2,662,900**
- 2. 5,283 jobs** (1,310 jobs preserved/created and 3,973 jobs projected) made possible by USEPA investments.
- 3. \$363,168,680 total investment in the northern panhandle** made possible by **\$2,662,900** USEPA investments.
- 4. For every \$1 invested by the USEPA in brownfield sites in the northern panhandle of West Virginia, an estimated \$136 of private investment is underway.**
- 5. Unemployment rate dropped from 13.5% to 5.25%.**

Following are specific examples:

Beech Bottom Industrial Park (Beech Bottom)--\$510,000
(EPA)>>\$84,253,180 (Investment)
Investments:

- \$595,000 USEPA Investment
- \$2,662,180 Leveraged Public Investments (additional grants)
- \$81,591,000 Estimated Private Investments (Value-Added Steel, Transportation Logistics, Energy)

Jobs:

- 708 Created
- 400 Projected

Brooke Glass (Wellsburg)--\$552,000 (EPA)>>\$1,266,000 (Investment)

Investments:

- \$552,000 USEPA Investment
- \$26,000 Leveraged Public Investments (additional grants and loans)
- \$1,240,000 Estimated Private Investment

Jobs:

- 40 Projected

Eagle Manufacturing (Wellsburg)--\$85,000 (EPA)>>\$16,650,000 (Investment)

Investments:

- \$85,000 USEPA Investment
- \$450,000 Leveraged Public Investments (additional grants and loans)
- \$16,200,000 Estimated Private Investments (Injection Mold Plastics)

Jobs:

- 36 Created
- 10 Projected

Merco Marine (Wellsburg)--\$4,200 (EPA)>>\$4,000,000 (Investment)

Investments:

- \$4,200 USEPA Investment
- \$1,800,000 Leveraged Public Investment
- \$2,200,000 Estimated Private Investment (Marine Dock Systems)

Jobs:

- 16 Preserved
- 3 Projected

Former Follansbee Steel (Follansbee)--\$72,000 (EPA)>>\$31,312,500

Investments:

- \$72,000 USEPA Investment
- \$1,312,500 Leveraged Public Investments (additional grants and loans)
- \$30,000,000 Estimated Private Investment (Value-Added Steel, Transportation Logistics, Energy)

Jobs:

- 65 projected

Three Springs Business Park (Weirton)--\$153,000 (EPA)>>\$72,408,000

Investments:

- \$153,000 USEPA Investment
- \$11,008,000 Leveraged Public Investments (additional grants and loans)
- \$61,400,000 Estimated Private Investments (Pietro Fiorentini, Barney's Bakery, North American Industrial Services, Rue21, Park Drive Development, Walmart, Bob Evans Restaurant, Comfort Inn, and Fairfield Inn & Suites)

Jobs:

- 195 Created
- 141 Preserved
- 651 Projected

Starvaggi Industries (Weirton)--\$24,000 (EPA)>>>\$3,000,000 (Investments)

Investments:

- \$24,000 USEPA Investment
- \$3,000,000 Estimated Private Investment

Jobs:

- 10 Created

Training Center (Weirton)--\$224,000 (EPA)>>>\$3,500,000 (Investments)

Investments:

- \$224,000 USEPA Investment
- \$1,700,000 Leveraged Public Investments
- \$1,800,000 Estimated Private Investments

Jobs:

- 10 Created

Frontier Group of Companies, Former ArcelorMittal Property (Weirton)--\$90,500 (EPA)>>\$123,600,000 (Investment)

Investments:

- \$90,500 USEPA Investment
- \$44,400,000 Leveraged Public Investments (additional grants and loans)
- \$79,200,000 Estimated Private Investment

Jobs:

- 50 Created
- 2,500 Projected

Bidell Gas Compression (Weirton)--\$20,000 (EPA)>>\$5,000,000 (Investment)

Investments:

- \$20,000 USEPA Investment
- \$4,000,000 Public Investment
- \$1,000,000 Estimated Private Investment

Jobs:

- 66 Created
- 174 Projected

The Lodge at the Williams (Weirton)--\$77,500 (EPA)>>\$2,000,000 (Investment)

Investments:

- \$77,500 USEPA Investment
- \$2,000,000 Estimated Private Investment

Jobs:

- 12 Created

Jimmy Carey Stadium (Weirton)--\$196,000>>\$3,017,500 (Investment)

Investments:

- \$196,000 USEPA Investment
- \$17,500 Leveraged Public Investments (additional grants and loans)
- \$3,000,000 Estimated Private Investment

Jobs:

- 24 Created

Newell Porcelain (Newell)--\$90,000 (EPA)>>\$1,120,000 (Investment)

Investments:

- \$90,000 USEPA Investment
- \$1,120,000 Estimated Private Investment

Jobs:

- 2 Created
- 70 Projected

Chrysler Dealership (Newell)--\$10,000 (EPA)>>\$5,500,000 (Investment)

Investments:

- \$10,000 USEPA Investment
- \$5,500,000 Estimated Private Investment

Jobs:

- 28 Jobs Created

- 12 Jobs Preserved

**Rock Springs Business Park (Former TS&T in Chester)--\$554,700
(EPA)>>\$6,541,500 (Investment)**

Investments:

- \$554,700 USEPA Investment
- \$2,541,500 Leveraged Public Investments (additional grants and loans)
- \$4,000,000 Estimated Private Investment

Jobs:

- 60 Projected