

Yreka Turns \$400,000 into \$40 Million Investment

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A \$400,000 investment by the United States Environmental Protection Agency's (US EPA) Brownfields program resulted in a private investment of nearly \$40 million. Additionally, these public/private investments generated further economic impacts of \$4.5 million annually through jobs created, economic multipliers, and improved property tax revenue in the community. As this rural California case study will demonstrate, the US EPA Brownfields program is an important tool for economic redevelopment.

Located in upstate California, just south of the Oregon border, Yreka is a rural community historically dominated by timber industries. The region's economy collapsed during the late 1980's as federal public land use priorities changed. In 1980 there were >100 timber mills operating in Siskiyou County, by 2013 only three mills remained. Three decades after the economic collapse, Yreka is still recovering from the regional economic depression. Yreka's current rates of unemployment and poverty are more than double state averages at 19.9% and 36% respectively (2014, statsamerica.org).

This is a common trope in communities across the nation – the fallout from the collapse of local industry can leave rural communities without a strong economic base and with an assortment of contaminated properties (brownfields) that inhibit further development. After a century of heavy industrial use, many of the vacant timber mill brownfields in Yreka brought down surrounding home values, deterred development with potential environmental contaminants, and were a general drain on the local economy. Fortunately, US EPA brownfield assessment and cleanup funding provides a precise path to remove uncertainty of economically important sites, recycles existing infrastructure, and protects future human/environmental health.



In 2013 the City of Yreka and the Siskiyou County Economic Development Council completed an environmental assessment grant under the US EPA Brownfields program. The US EPA grant was used to assess former mill sites that were identified as important through community involvement. As a result, the assessed brownfield properties were given planning estimates regarding environmental remediation and redevelopment costs. The removal of uncertainty surrounding the brownfield properties and the newly gained approval from California regulatory agencies coincided well with a market upswing, and redevelopment activities started rapidly.

Within four years of project completion we had built two light manufacturing businesses, a habitat for humanity office center, and a moderate-sized retail business. These redevelopments created more than 100 jobs, which in the population context, represents an approximate 3.5% increase in Yreka workforce. Further, we were able to help develop a portion of the Yreka Creek Greenway recreation park and locate property for a new \$2.8-million-dollar public transit center.

The most beneficial aspect of our Brownfields assessment program was reducing uncertainty surrounding the cost of redeveloping several Brownfields sites. If a company is aware that a potential development site is a brownfield, but doesn't know the specific type or amount of contaminant, the uncertainty surrounding the cost of remediation can deter them from redeveloping the site. By determining the nature of contamination through brownfield assessment grants, economic development organizations can give potential developers a clearer picture of remediation cost, allowing them to figure those costs into their return on investment analysis. In our experience, actual brownfield contamination wasn't nearly as costly as the perception of environmental liability.

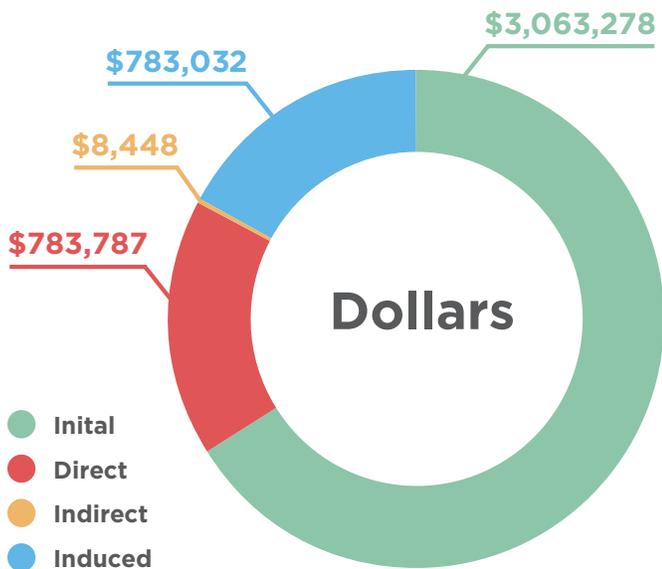


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The investment from the US EPA Brownfields program has proven to be a successful venture with incredible payoff for the City of Yreka. Administering the grant ourselves has only further added to the benefits of the program, enhancing our working knowledge of the local land base, environmental issues, and greatly increasing our capacity to administer grants. The Siskiyou County Economic Development Council is pursuing further grants from the US EPA Brownfields program to remove uncertainty surrounding former industrial sites and, where necessary, remove and remediate contaminated soils. Economic development organizations across the nation should consider their local inventory of brownfields and ponder the ways in which the US EPA Brownfields programs can assist in redevelopment efforts.

Effect of Yreka Brownfield Program on Annual Job Earnings



This graph illuminates the effect of the successful Yreka Brownfields Assessment Grant on local job earnings. This boost in wages is a product of the multitude of businesses that opened on remediated Brownfield properties and created new jobs in the community. The multiplier effect of these jobs is reflected by the indirect and induced categories.

The Siskiyou Economic Development Council is a non-profit that collectively serves all Siskiyou County California communities. For 30-years the SEDC has pursued projects that increase the economic wellbeing and permanent job base in our rural area. More information on our Brownfields work can be found at siskiyoucounty.org



6 July 2016

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27 Jul 2016

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22 Aug 2016

CALED Board Chair, Kevin Ham, kicks off #econdev training in sunny San Diego today. @cityofvista @CityofSanDiego

