

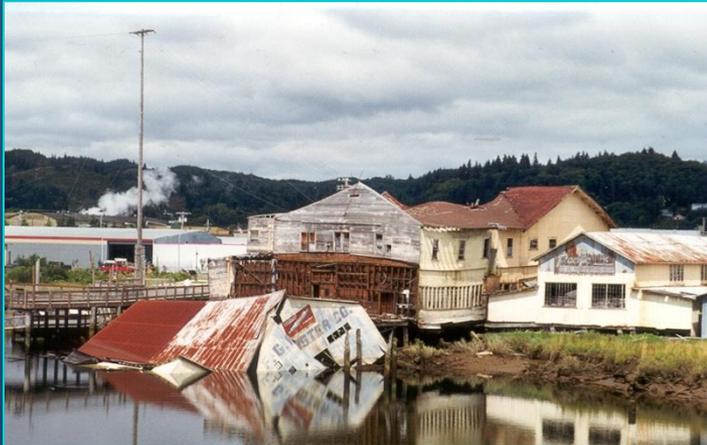
Brownfields Redevelopment and Community Revitalization



Schedule for Today

- 1:00-1:30 Welcome and Introductions
- 1:30-2:30 Cleanup and Redevelopment Process
- 2:30-2:45 BREAK
- 2:45-3:30 Transaction and Risk Management
- 3:30-4:30 Leveraging Resources, Finding Money
- 4:30-5:00 Discussion, Q&A

“Brownfield” means real property where environmental, economic, and social reuse objectives are hindered by real or perceived environmental contamination.



Typical Brownfields in Washington

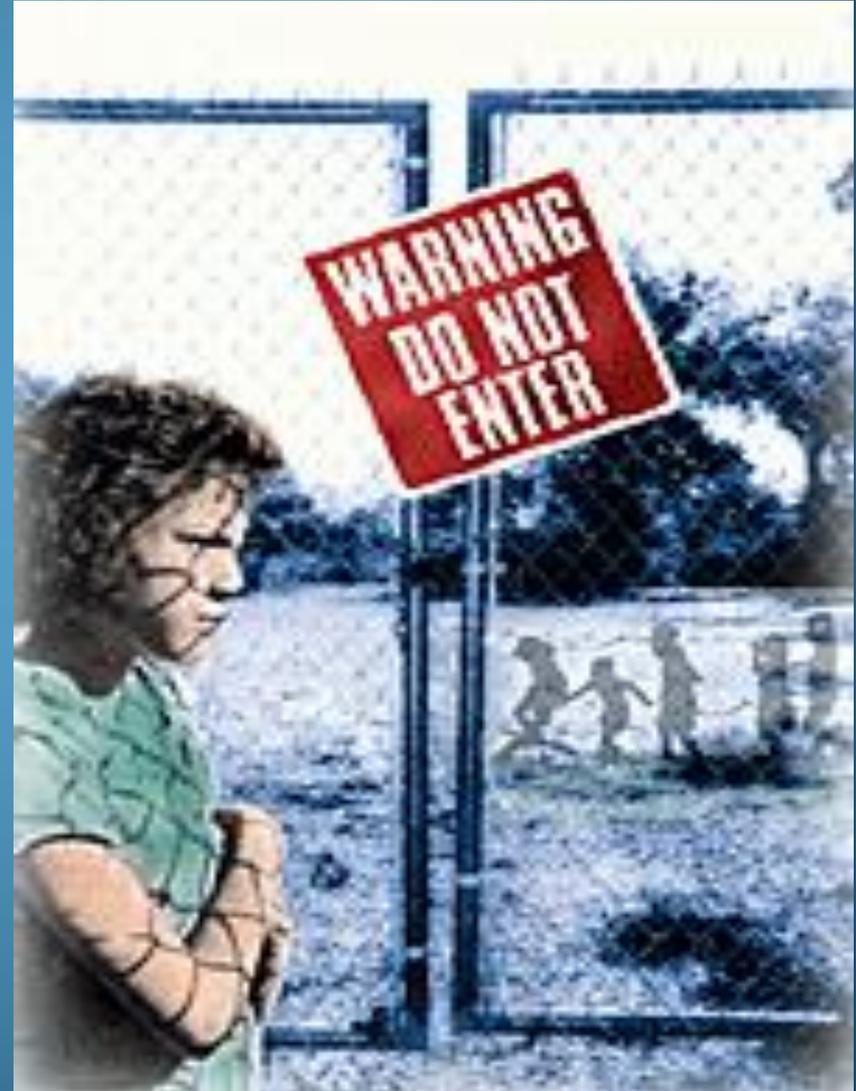
- Abandoned lumber mills
- Gas stations and bulk-fuel facilities
- Rail and transportation
- Landfills
- Port facilities
- Light industrial
- Dry cleaners



Raymond, WA Photo Credit:
Sharon Kophs

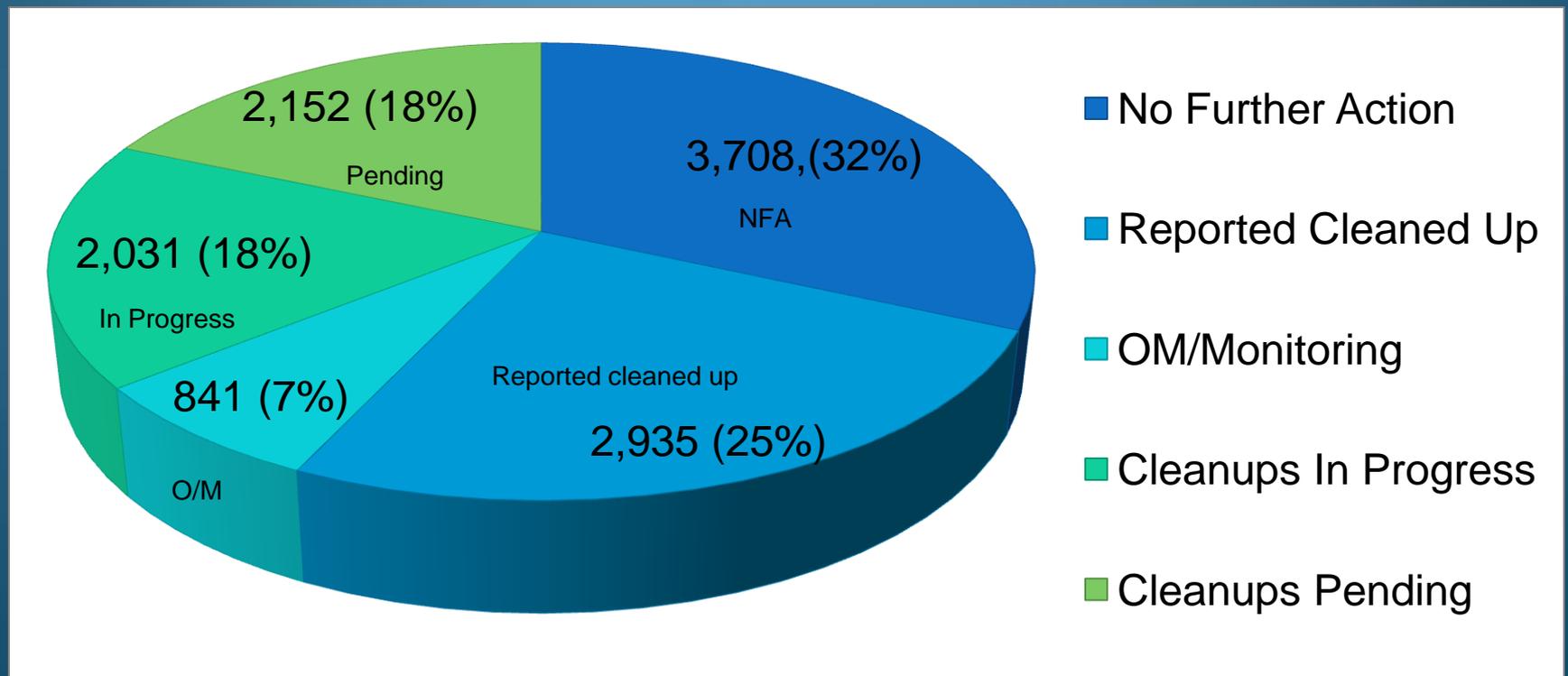
Brownfields Impact Communities

- Harm human health and environment
- Become eyesores and contribute to blight
- Reduce employment opportunities and tax revenue
- Reduce surrounding property values
- Contribute to neighborhood crime
- Increased sprawl

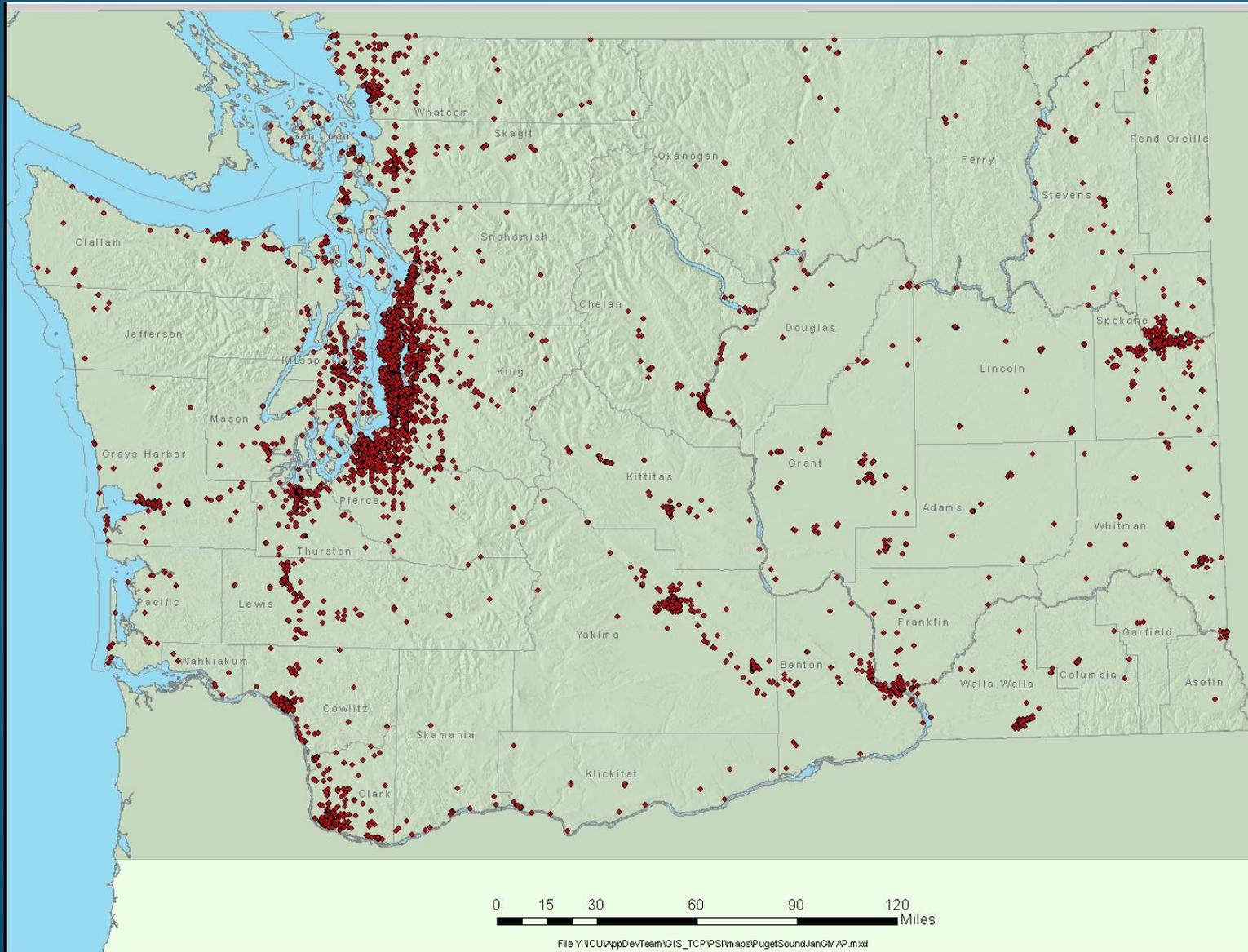


The Brownfields Problem

Cleanup Sites in Washington
11,667 as June 2010



Where Are Cleanups Taking Place Now?



Washington State Sites with Cleanup In Progress

Map Elements

- Sites in progress
- County Boundaries
- WA Lakes

6,477 sites with cleanup in progress in the State of Washington.



Map Created: January, 2006 by the Toxics Cleanup Program.

The Evolution of Brownfields Redevelopment

■ First Generation

- 1980's to early 1990's
- States enact CERCLA-like cleanup laws
- Command and Control from Regulatory Agencies

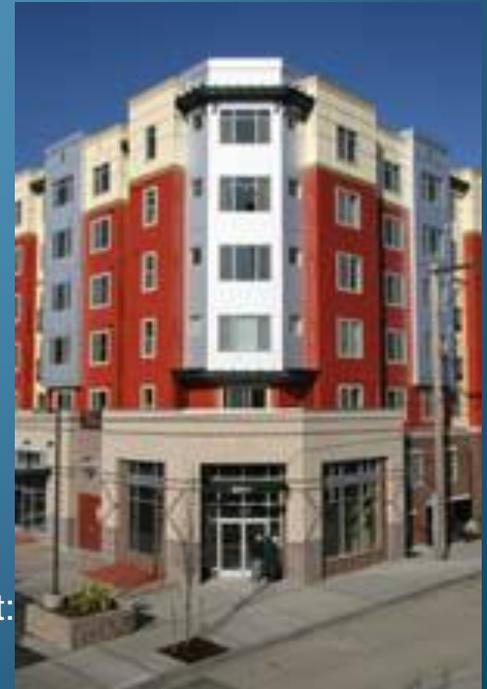
■ Second Generation

- Mid-1990's to 2000's
- States enact Voluntary Cleanup Programs
- Client-based, regulators hands-off
- Private Sector-led redevelopment

Evolution of Brownfields cont'd...

■ Third Generation

- NOW
- Collaboration WITH State Agencies and Local Government
- Community-led redevelopment
- Partnerships
- Solving multiple community goals
- Leveraging Resources



Rainier Court, Seattle, WA Photo credit:
SouthEast Effective Development

Redevelopment Barriers

- Uncertainty of Cost
- Fear of Liability

Category	Description	Result
	Market value of redeveloped property far exceeds costs.	Private real estate market likely to complete cleanup and redevelopment.
	Redevelopment revenues close to covering development and environmental costs.	Project not feasible for private market to undertake. Some public investment can make it viable.
	Environmental liability far greater than property value.	Difficult to redevelop. Requires significant public investment or change in market.

Redevelopment Benefits

- Protect human health and environment
- Efficient use of existing utilities and infrastructure
- Revitalization of neighborhoods
- Educational opportunities
- Building of community through public participation

Every \$1 in Washington State cleanup creates:

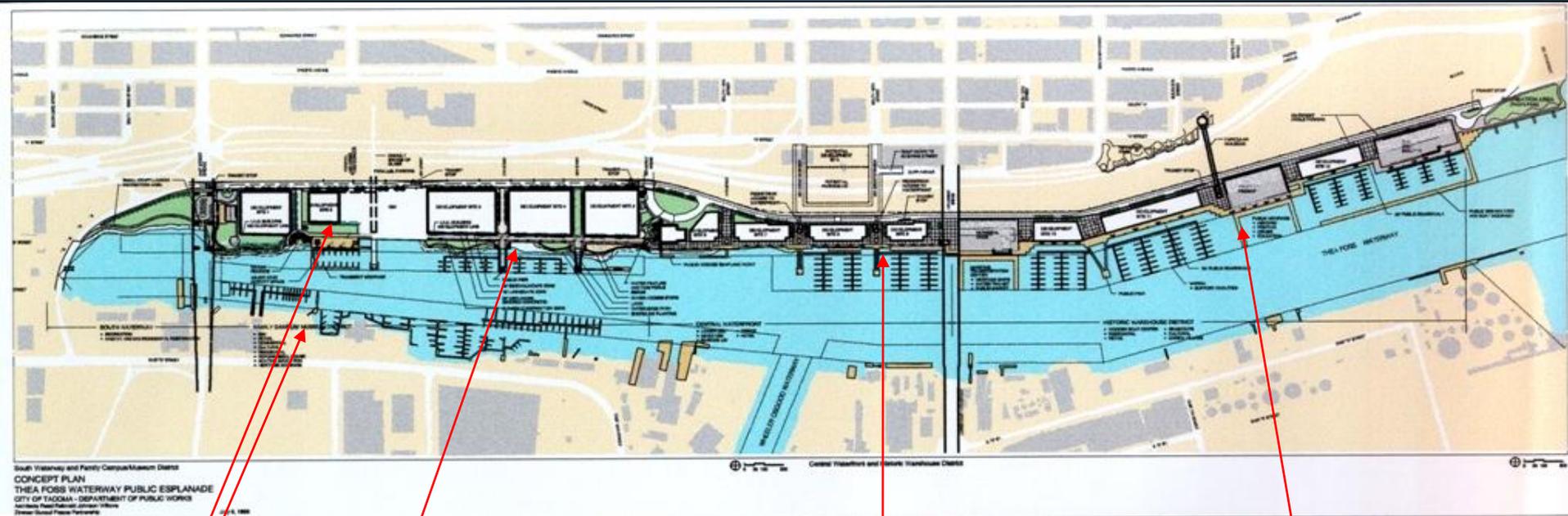
- *\$12 in local and state tax revenue*
- *\$14 in payroll value*
- *\$64 in business revenue*



Economic Return

Upland land value changes

1999 - \$10.90 sq. ft.
2001 - \$25.00 sq. ft.
2003 - \$30.00 sq. ft.
2006 - \$38.72 sq. ft.

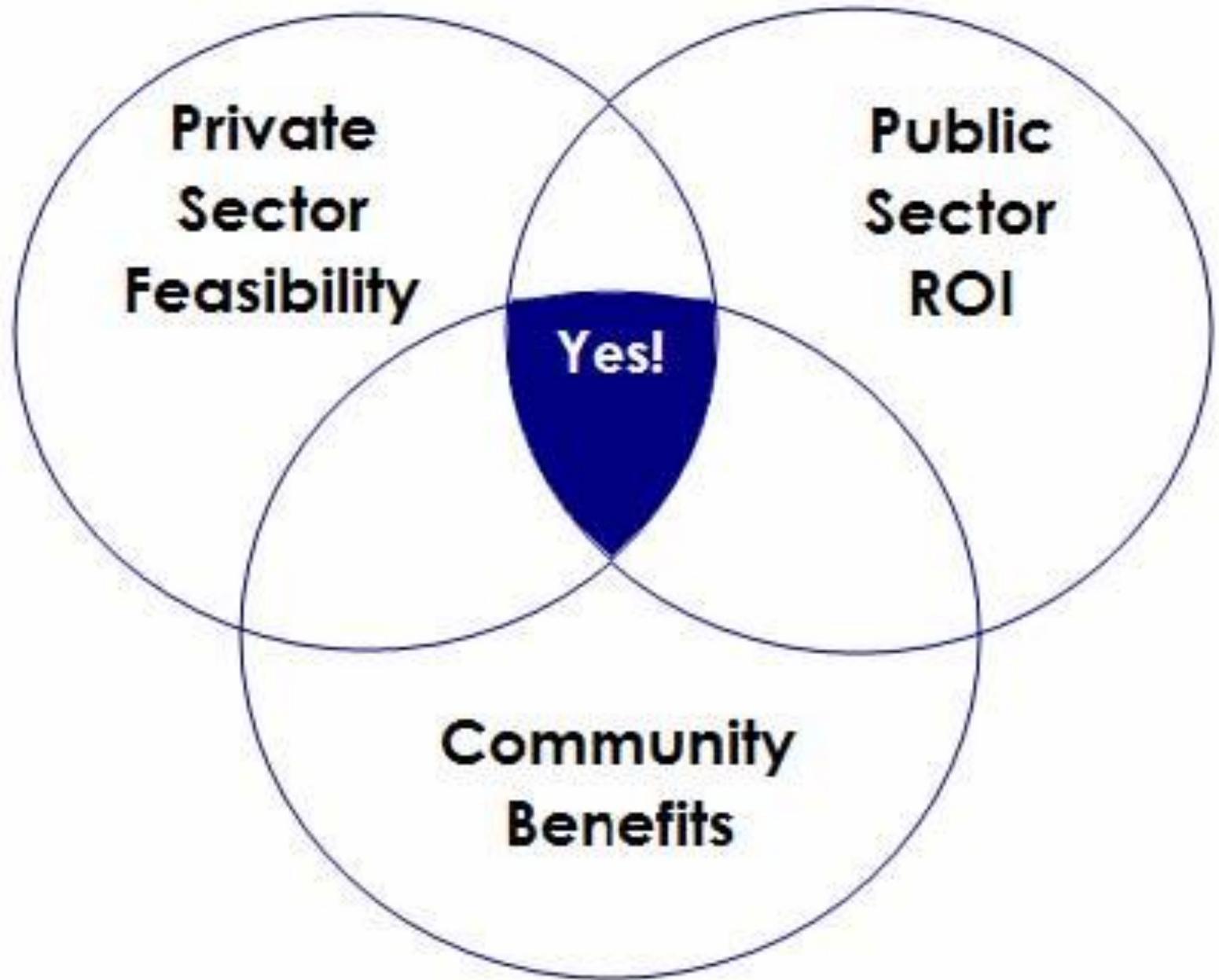


**2009-
2010**
Parks

2008
Family Campus
District

2012
Central Waterfront
District

2015
Historic Warehouse
District



Key Players in Redevelopment



Planning for Reuse- Using Whole Systems Thinking to Leverage Resources



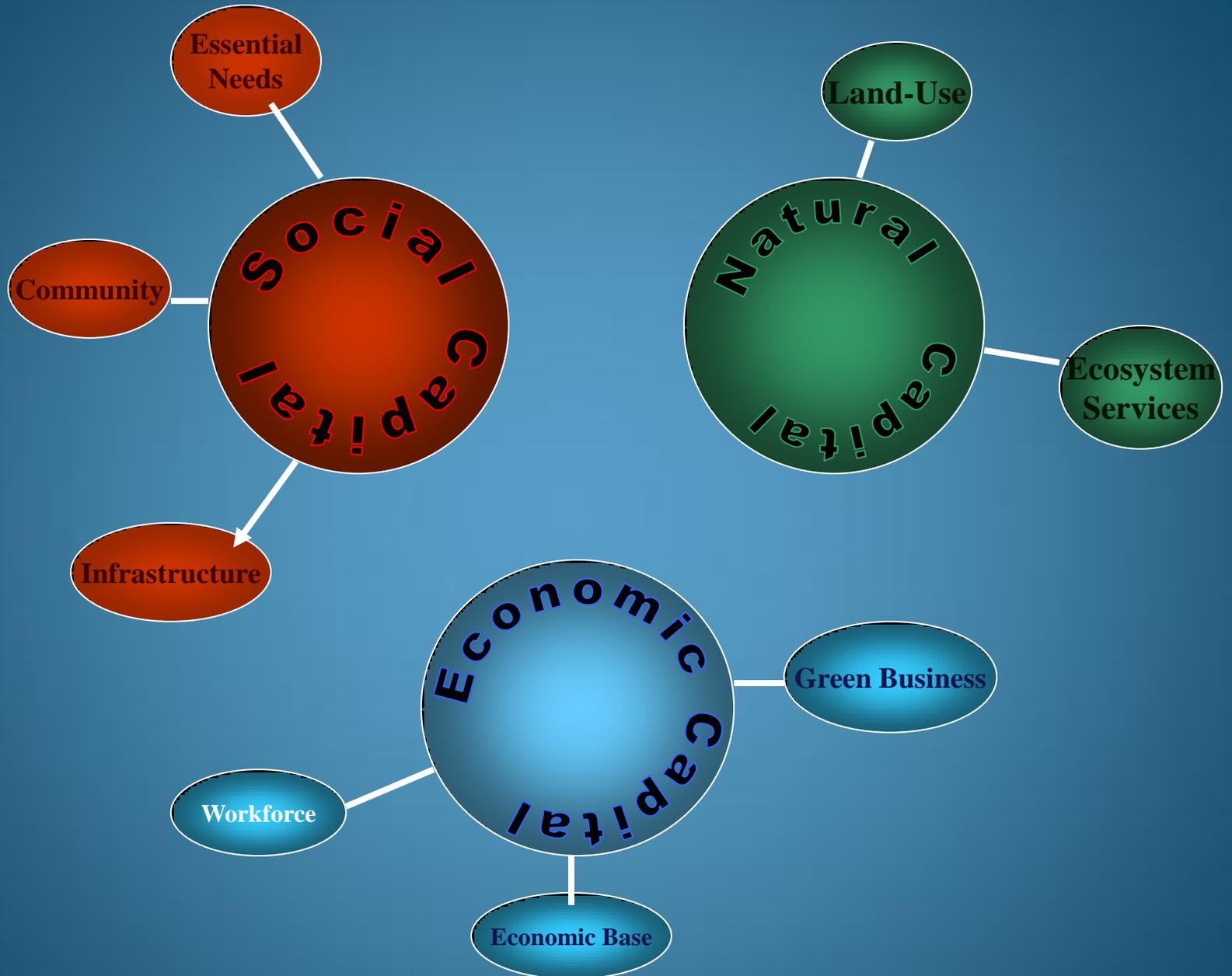
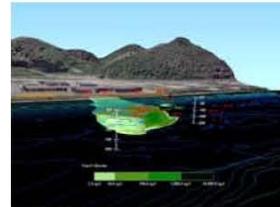
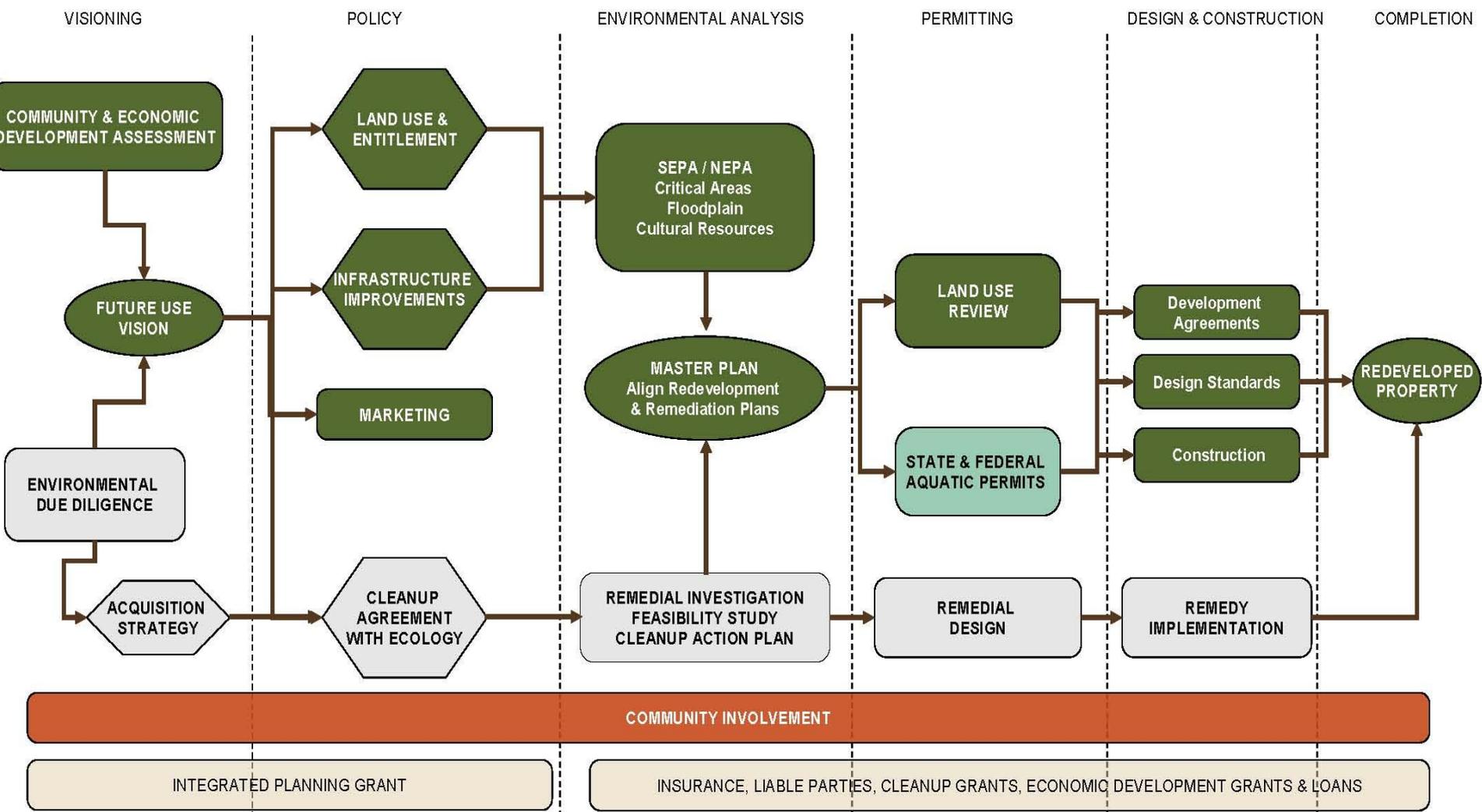




Figure 1-2 PALOUSE PRODUCERS CLEANUP & RE-USE PROCESS

Legend

- Decision Points: Hexagon
- Outcomes: Oval
- Processes: Rectangle
- Local Government: Green square
- State / Federal: Light green square
- Toxics Cleanup Program: Light blue square



Cleanup and Redevelopment Milestones



- Form a Project Team
- Identify Brownfields Sites and Conduct Phase I assessment
- Redevelopment Assessment Report
- Create a Vision for Future Use
- Financing the Development
- Remedial Investigation
- Marketing and Branding
- Site Development Plan
- Feasibility Study
- State, Local, Federal Entitlements and Permitting
- Remedial Investigation
- Infrastructure Improvements
- Site Preparation
- Remedy Implementation

Milestone #1 Form a Project Team

FIND EXPERTS IN

Strategic Leadership

Environmental Law

Environmental Science and Engineering

Planning

Economic Strategy and Value Estimates

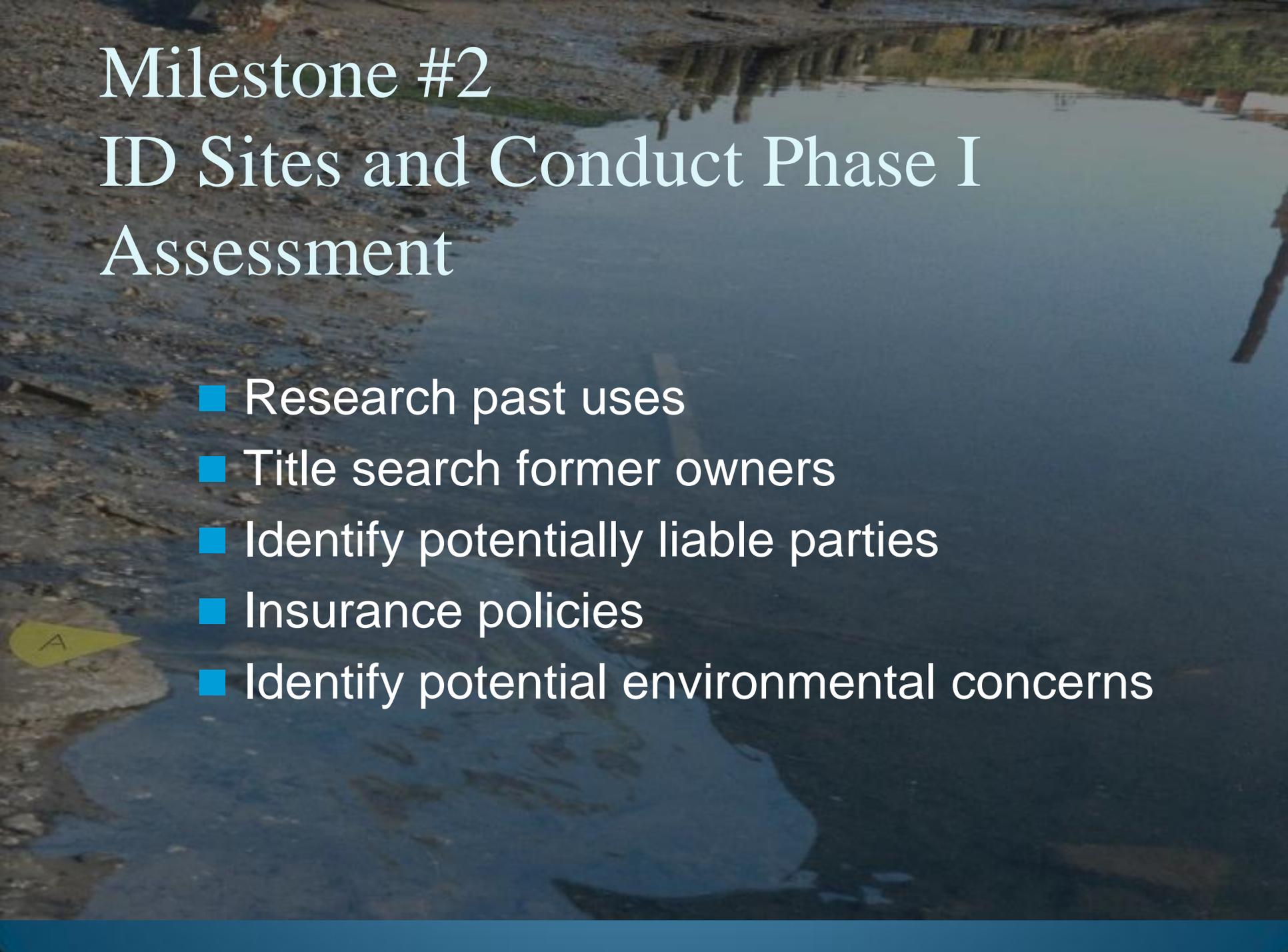
Natural Resources

Cultural Assessments

Structural Engineering

Architectural Assessment

Public Involvement

The background of the slide is a photograph of a body of water, possibly a pond or a slow-moving stream. The water is dark and reflects the sky. On the left side, there is a rocky or sandy shore with a yellow triangular marker labeled 'A'. In the distance, there are some structures and trees. The overall scene is somewhat desolate and industrial.

Milestone #2

ID Sites and Conduct Phase I Assessment

- Research past uses
- Title search former owners
- Identify potentially liable parties
- Insurance policies
- Identify potential environmental concerns

Milestone #3

Redevelopment Assessment Report

- Determine interest of owner
- Assess interest in local government in acquisition
- Understand community's long term vision
- Identify how brownfield property capitalizes on community needs and assets
- Assess market opportunities and trends
- Review infrastructure needs
- Review soil and topography
- Assess natural and cultural resources

Due Diligence Issues

■ Environmental

- Presence of contamination (Phase I evaluation)
- Site characterization (Phase II site assessment)
- Environmental impact (SEPA)
- Compliance issue
- Regulatory approval
- Brownfield incentives
- AAI

■ Improvements

- Physical repairs
- Code violations
- Functionality

■ Financing

- Pro forma
- Appraisal

■ Risk Management Plan

■ Exit Strategy

■ Transportation

- Accessibility
- Traffic Studies

■ Taxes

■ Utilities

■ Permits

■ Zoning

■ Entitlements

■ Political

■ Community Support

■ Market

■ Feasibility of Development

- Adaptive Reuse
- Redevelopment
- Reposition

Milestone #4

Create a Vision for Future Use

Vision:

- Attracts investment
- Drives cleanup
- Guides decision making
- Fosters Support

Vision Includes:

- Financial
- Technical
- Community Support

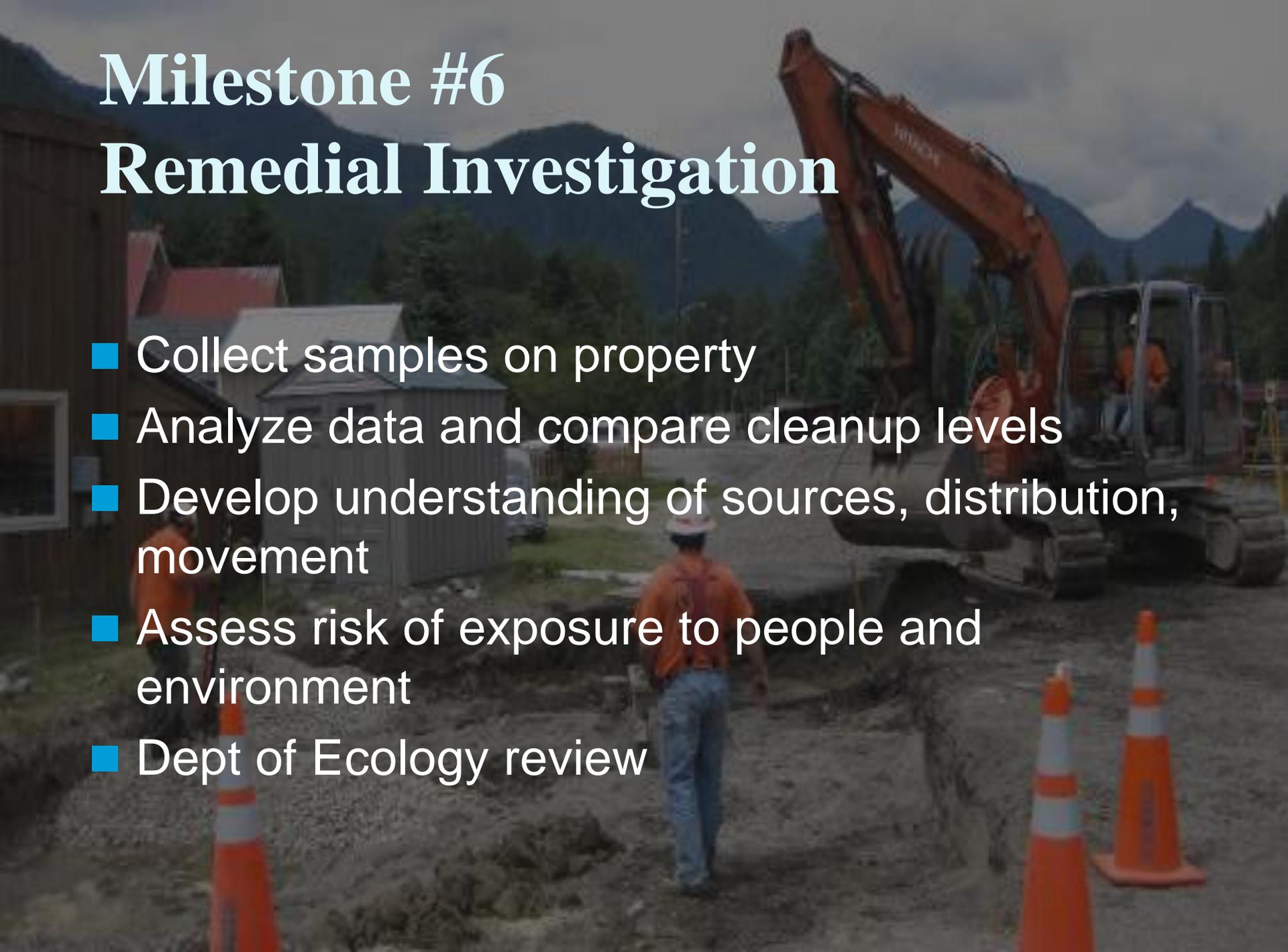
Milestone #5

Financing Cleanup Development

- Determine eligibility for public grants and loans
- Assess conventional financing availability
- Meet due diligence requirements to obtain financing
- Consider local financing tools
- Examine contribution claims and insurance recovery

Milestone #6

Remedial Investigation

- Collect samples on property
 - Analyze data and compare cleanup levels
 - Develop understanding of sources, distribution, movement
 - Assess risk of exposure to people and environment
 - Dept of Ecology review
- 
- The background image shows a remediation site. In the foreground, a worker in an orange shirt and blue jeans stands with their back to the camera, looking towards a large excavator. The excavator is orange and black, with its arm raised. To the right, there are several orange traffic cones with white reflective stripes. In the background, there are buildings, trees, and mountains under a cloudy sky.

Milestone #7

Marketing and Branding

- Create a personality for the project
- Focus on the future
- Name the site if none exists
- Quantify economic impacts – taxes and jobs
- Visual images of realistic future uses
- Accentuate community assets
- Utilize historic icons or connections to community

Milestone #8

Site Development Plan

- Site Layout
- Infrastructure (water, sewer, power, transportation, telecommunications)
- Integrate with cleanup planning
- Regulatory approach

Create a sense of scale, density, orientation, transportation, efficient use of space

Milestone #9

Feasibility Study

- Evaluate Options to Cleanup Site
- Coordinate with site development plan
- Estimate Cost
- Select Proffered option
- Obtain opinion from Ecology

Milestone #10

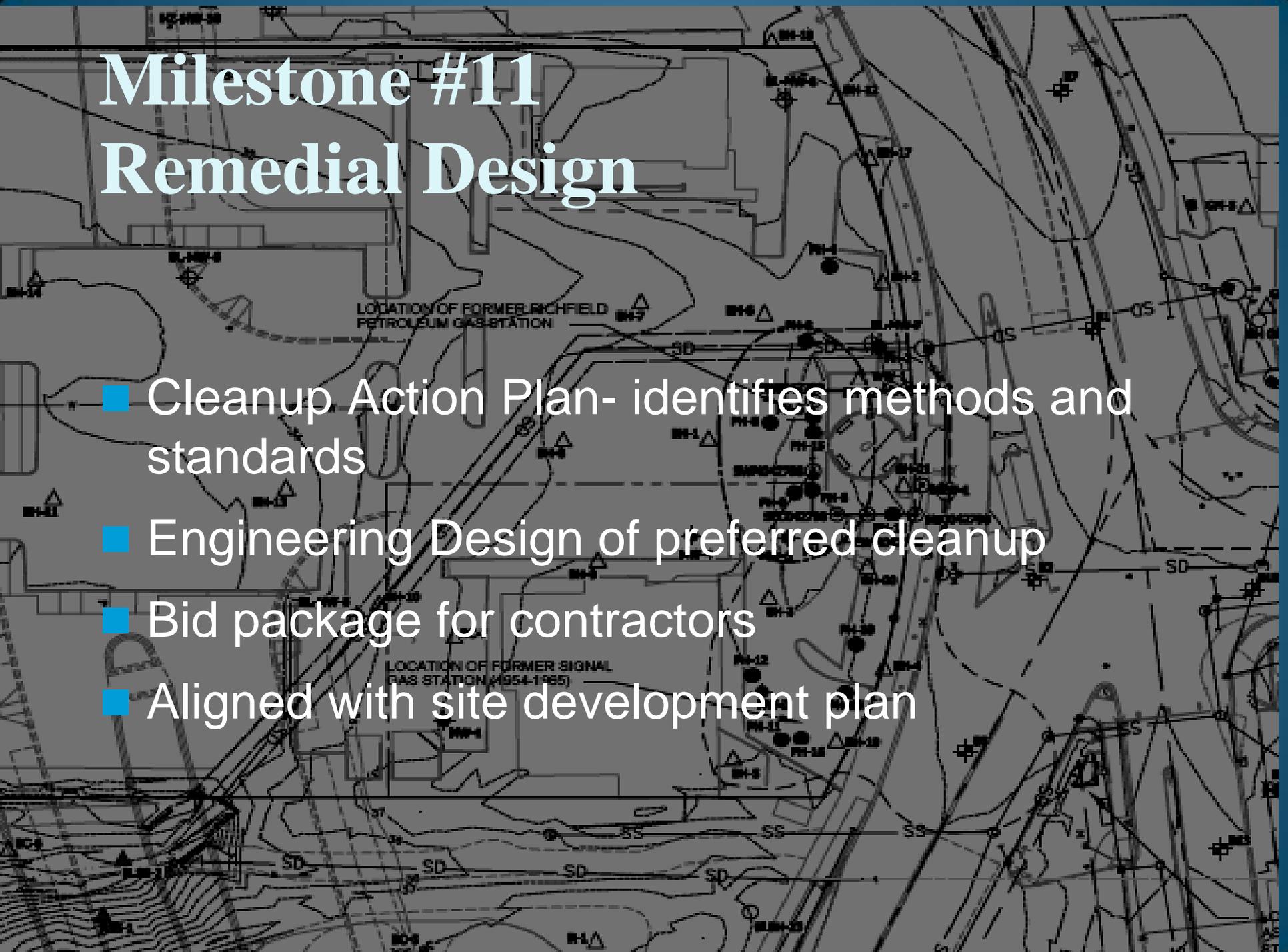
State, Local, Federal Entitlements and Permitting

- Making changes to local zoning and regulations to achieve vision
- Environmental Review (SEPA/NEPA)
- Local development permits
- State permits
- Federal permits

Milestone #11

Remedial Design

- Cleanup Action Plan- identifies methods and standards
- Engineering Design of preferred cleanup
- Bid package for contractors
- Aligned with site development plan



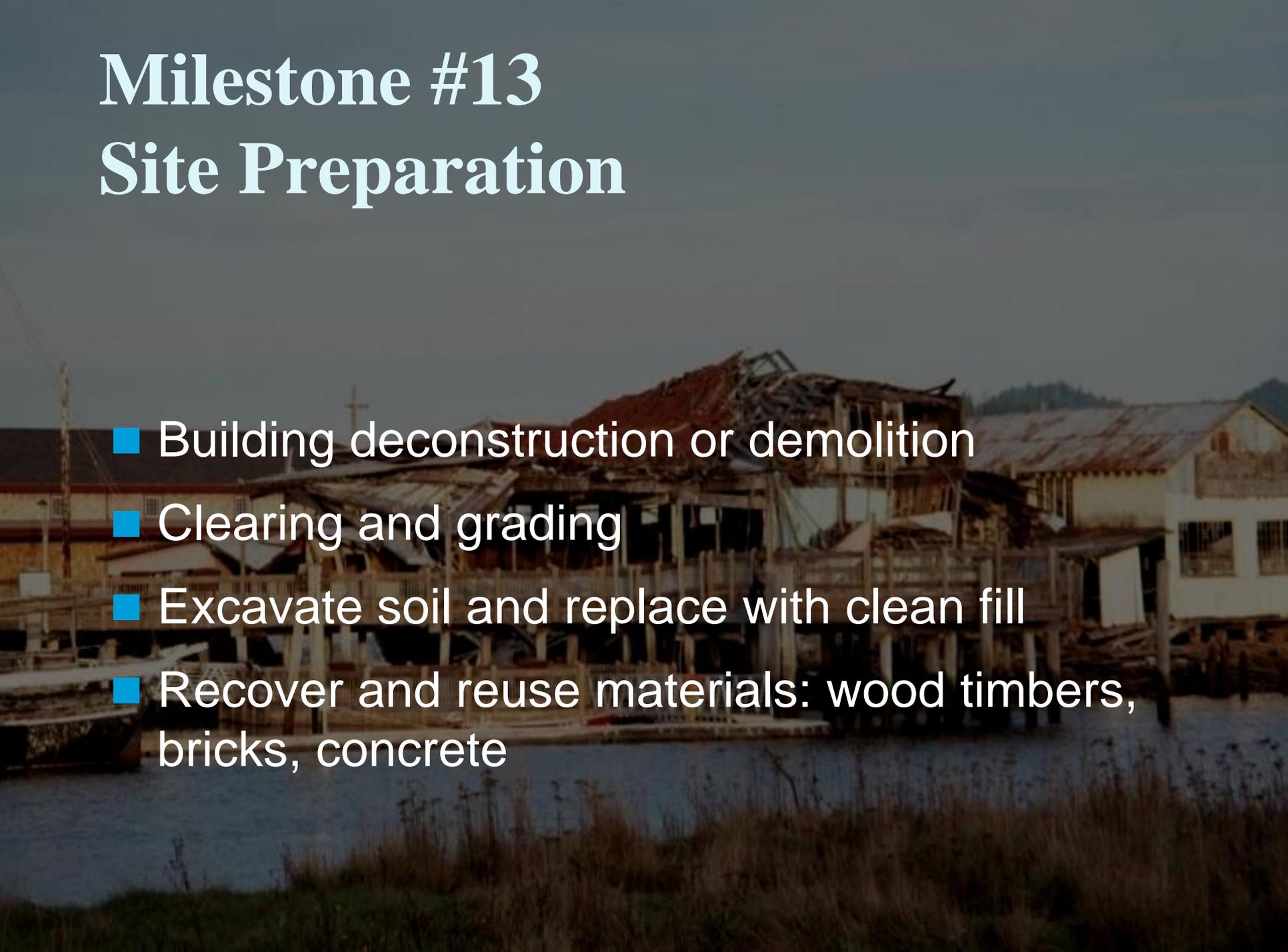
Milestone #12

Infrastructure Improvements

- Streets
 - Sidewalks
 - Sewer lines
 - Water lines
 - Stormwater management
 - Incentive to leverage private investment
 - Enhance project's financial feasibility
- 

Milestone #13

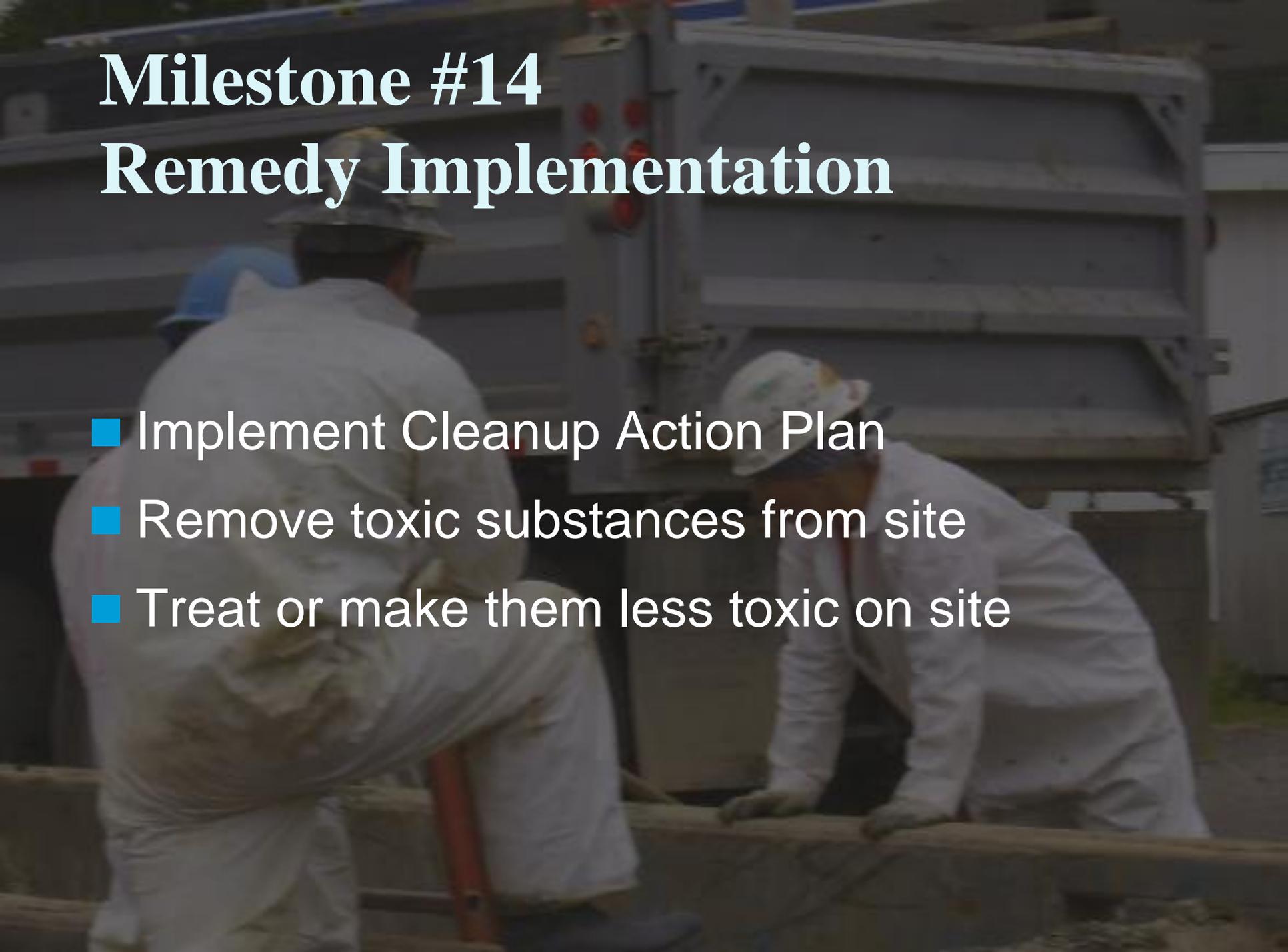
Site Preparation

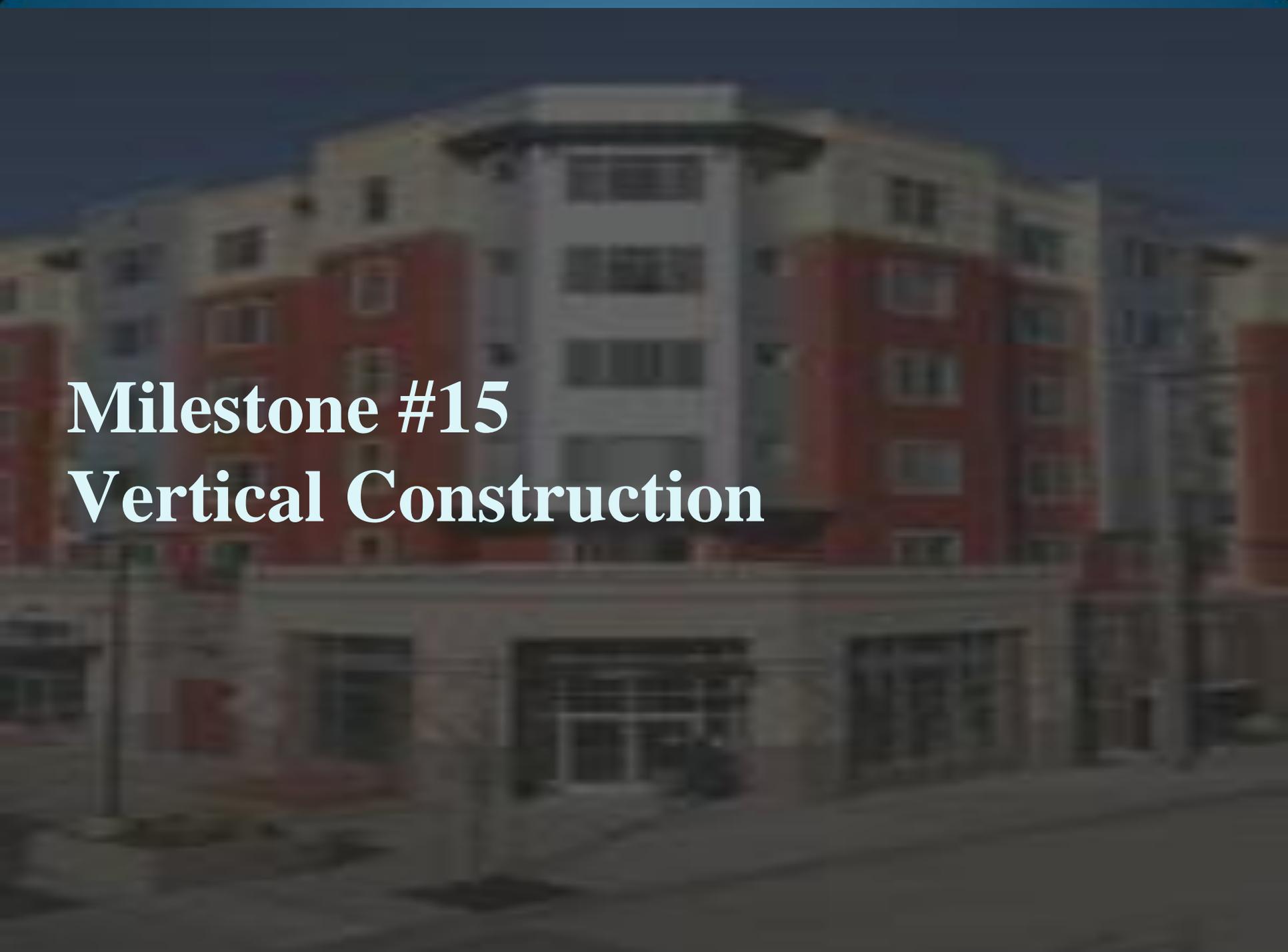
- Building deconstruction or demolition
 - Clearing and grading
 - Excavate soil and replace with clean fill
 - Recover and reuse materials: wood timbers, bricks, concrete
- 

Milestone #14

Remedy Implementation

- Implement Cleanup Action Plan
- Remove toxic substances from site
- Treat or make them less toxic on site



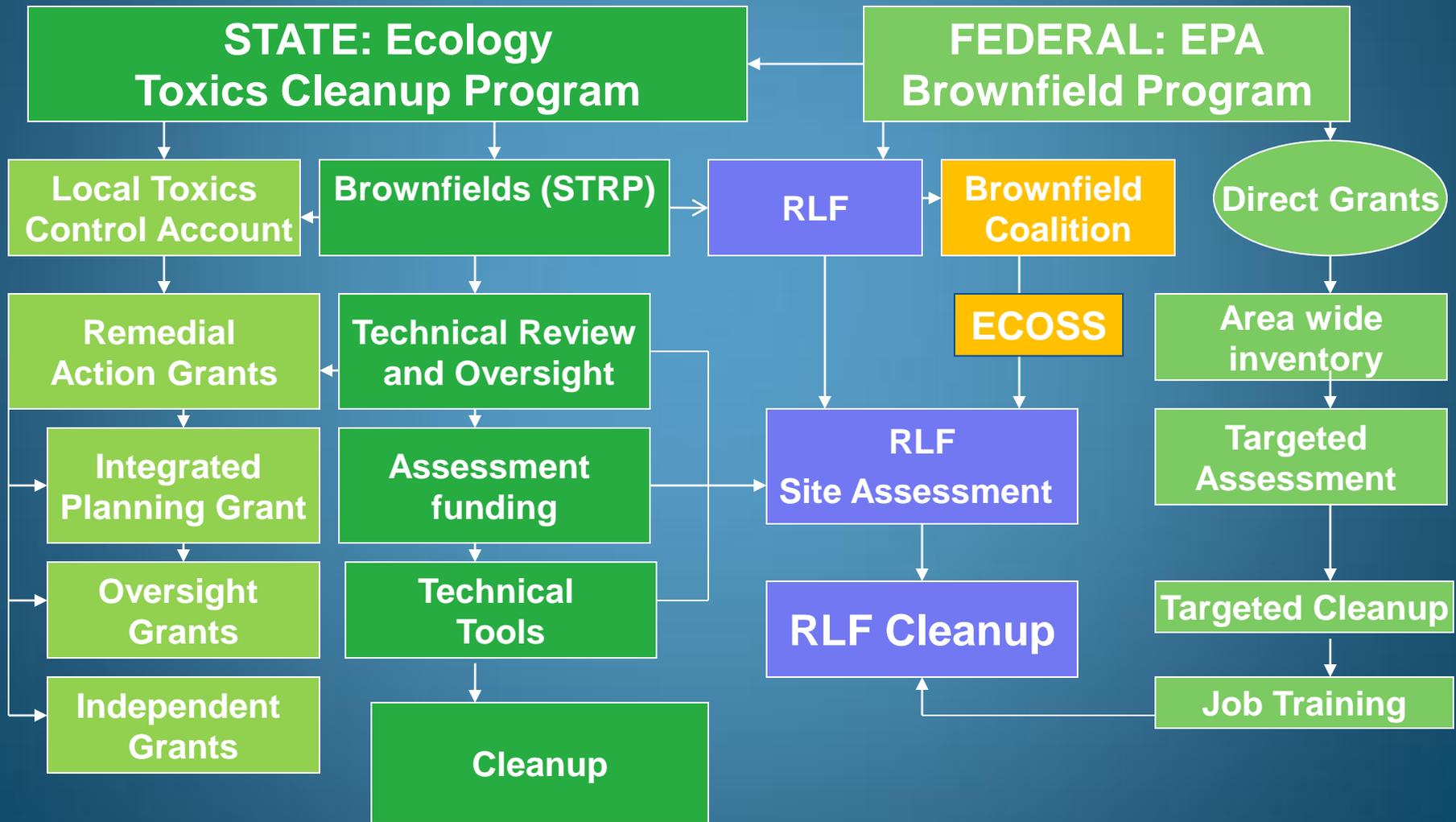


Milestone #15
Vertical Construction

Keys to Success

- Connect with community revitalization priorities
- Begin with the end in mind
- Take the Triple Bottom Line approach
- Find a project champion
- Build public partnerships
- Build private partnerships
- Understand and manage risk
- Understand value
- Establish a strong project team
- Identify and celebrate small successes

Washington State Funding



Brownfields Funding Sources

A yellow excavator is shown in the process of demolishing a building. The excavator's arm is raised, and its bucket is positioned near the top of the structure. The background shows a clear blue sky and some greenery, suggesting an outdoor construction or demolition site.

■ Ecology

- Remedial Action Grants (50% Match)
- Integrated Planning Grants (No Match)

■ Commerce

- Revolving Loan Fund (Low Interest Loan)

■ EPA

- Assessment Grants (No Match)
- Cleanup Grants (No Match)

Grants from Ecology Overview

- Remedial Action Grants
 - Remedial Investigations
 - Feasibility Studies
 - Pilot Studies
 - Interim Actions
 - Cleanup Action Plans
 - Landfill Closures
- Oversight or Independent
 - 10%-50% Match Required
- Integrated Planning Grants
 - No Match



Integrated Planning Grants

- Support the acquisition and reuse of blighted properties
- Develop strategies for adaptive re-use
- Support vital communities
 - Community involvement
 - Due diligence
 - Economic assessment
 - Land use planning
 - Cultural resource assessment
 - Habitat assessment
 - Recreational use planning
 - Environmental investigation

Integrated Planning Grants

■ = Awarded Projects

■ = Prospective Projects



Remedial Action Grants (RAG)

■ Oversight RAG (Formal Site Agreement)

- Agreed Order or Consent Decree required to be in place
- Pays for assessment and cleanup activities
- Pay as you go
- Matching requirements 10%-50%

■ Independent RAG (Voluntary Cleanup Program)

- Assessment and cleanup
- Reimbursement after NFA is issued
- Matching Requirements 50%

Energizing
Last Bay

Coming Soon to East Bay

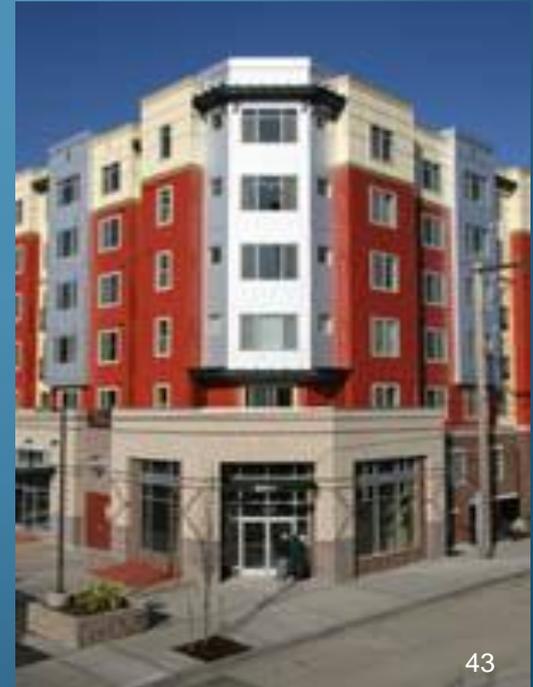
- Hands On Children's Museum
- Administrative and Education Center for the LOTT Alliance
- Public Plaza
- Shops, Restaurants, Offices, and More

For More Information



Revolving Loan Fund – Department of Commerce

- Available to Public and Private Land Owners
- Have not caused or contributed to contamination
- \$10,000 to \$1,000,000
- Eligible Costs
 - Cleanup
 - Public participation
 - Environmental insurance



Grants from EPA

- Targeted Brownfields Assessment
 - EPA provides Phase I and Phase II assessment work
- Area-Wide and Site Specific Assessment
 - \$200,000-\$400,000 for hazardous or petroleum
 - Inventory, characterize, assess, planning and community involvement
- Cleanup Grants
 - \$200,000 for hazardous or petroleum
 - 20% match required



Assistance from Ecology

The CLEAR Team

The **C**leanup **E**nhancement **A**nd **R**evitalization
(CLEAR) Team

WHO WE ARE: Ecology Staff dedicated to integrating land use planning with cleanup policy.

WHAT WE DO:

- Work **WITH** you to develop sustainable communities
- Promote the reuse of previously developed land
- Integrate your larger community vision
- Keep stakeholder focus on the end goal

We are here to help!

John Means: Program

Planner/Grant Manager

360-407-7188

Dan Koroma: RLF Manager

(360) 407- 7187

Jessica Brandt : Outreach Planner

(360) 407- 7336

Charles San Juan: Technical

Assistance (360) 407- 7191

Blake Nelson: RLF Coordinator

(360) 725 - 4050

Website:

<http://www.ecy.wa.gov/programs/tcp/brownfields.html>

Guide to Leveraging Brownfield Redevelopment for Community Revitalization

Building Capacity in Washington State



Publication Number 10-09-054