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City of Palmetto Agenda Item

Meeting Date

5/8/12

Presenter: Charles Ray

Department: CRA

Title:

Brownfields Designation

In striving to meet its main goal of eliminating slum and blight in the Community Redevelopment District, the Palmetto Community Redevelopment Agency (CRA) has undertaken infrastructure improvements, incentives for businesses to build in the district, redevelopment of parks, façade enhancement opportunities for commercial buildings, and other projects. However, several pieces of property in the district may be contaminated due to a previous usage and not currently suitable for development. By designating all or a portion of the CRA district as a Brownfields area, the clean-up of any contaminated property and the redevelopment of property in the district can be facilitated through several governmental resources.

PROCEDURE:

Recommendation at May 8, 2012 CRAAB meeting to procede with Brownfields designation.
Recommendation at July 10, 2012 CRAAB meeting of written procedures with budget recommendation.
Delivery to CRA board on August 6 2012.

Budgeted Amount: \$0.00 **Budget Page No(s):** 0 **Available Amount:** \$0.00 **Expenditure Amount:** \$0.00

Additional Budgetary Information: Recommendation on July 10, 2012

Funding Source(s): CRA **Sufficient Funds Available:** Yes No **Budget Amendment Required:** Yes No **Source:** FY 12

City Attorney Reviewed: Yes No N/A **Advisory Board Recommendation:** For Against N/A **Consistent With:** Yes No N/A FS 163 2011-2015 CRA Plan

Potential Motion/Direction Requested: Recommend to staff to procede with policy and budget recommendtation to be brought back at next CRAAB meeting.

Staff Contact: Jeff Burton CRA Director

Attachments:

Introduction to Brownfields

Excerpts from "Unlocking Brownfields, KEYS TO COMMUNITY REVITALIZATION," a report by the National Association of Local Government Environmental Professionals Northeast-Midwest Institute

Brownfields Background

What Are Brownfields? Brownfields come in all shapes and sizes, from closed steel mills or vast watersheds contaminated by mining contamination, to vacant corner gas stations, abandoned grocery stores, or old town dumps. What all brownfields have in common is that real or perceived contamination can cause fear in those who may otherwise be willing to put these sites back into use — fear of costs, complications, delay, or even legal liability associated with the pollution. These perceptions can discourage the private sector from buying these sites, block local governments from getting involved at these sites, raise concerns among lenders and financiers, and otherwise chill activity at brownfields. Often, a brownfield can blight the neighborhood and lead to other community problems.

Aside from the health and environmental risks that may be posed by pollution in the soil, groundwater or surface water, brownfields often are associated with abandoned and unsafe buildings, lost jobs and diminished tax base, decreased property values, vandalism and criminal activity, and other signs of blight. Brownfields are the places left behind, and often forgotten. According to EPA and the new federal brownfields law (known as the Small Business Liability Relief and Brownfields Revitalization Act), brownfields are **"real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant."** In other words, brownfields can be any abandoned, idle, or under-used industrial or commercial facility where reuse is complicated by real or perceived environmental contamination. Government estimates for the number of brownfields range from 500,000 to 1 million, including more than 200,000 abandoned gas stations. Yet, brownfields are not hopeless places —and in fact they are often prime locations for revitalization. Brownfields are often located on favorable real estate, such as waterfronts, central city areas, or places that are nearby to other businesses and resources. Brownfields typically have infrastructure already in place. Further, the redevelopment of brownfield areas often garner the strong support of neighborhood and community leaders, as opposed to the Not-In-My-Back-Yard opposition that can face development projects in greenfield and open space areas. In many communities, if the problem of contamination can be overcome with information, education, resources, and partnerships, these brownfield problems can be turned into revitalization success stories.

The EPA, however, is not alone in this brownfields effort. More than 20 federal agencies link their resources and assistance to local brownfields revitalization, and several agencies have made substantial investments in brownfields. These key agencies include the Department of Housing and Urban Development, the Economic Development Administration and the National Oceanographic and Atmospheric Administration at the Department of Commerce, the Department of Transportation, and the U.S. Army Corps of Engineers. See the "Strong Local-Federal Partnerships" section and the "Partner with Key Federal Agencies" section of this report for more information on the federal brownfields resources available from these agencies.

The federal interagency brownfields partnership has been bolstered by a multi-year effort called the "Brownfields Showcase Communities" initiative. The Showcase initiative chose 28 pilot communities from across the country and provided them with federal resources, federal agency personnel and technical assistance, and a commitment to bring a variety of federal departments together to address local brownfields challenges. The Showcase initiative created new models of local-federal brownfields partnerships, leveraged millions of dollars in resources for local brownfields, brought the "federal family" of agencies together for local assistance, and paved the way for a number of new, innovative federal initiatives for brownfields.

Common Brownfield Myths and Facts

Myth	Facts
Brownfields are all large, former industrial or manufacturing sites.	While some brownfields are large former industrial sites, the majority of the estimated 500,000 to 1 million brownfields in the United States are small properties like dry cleaners, vacant lots, or gas stations.
A site must actually be contaminated to be considered a brownfield.	The perception that a property may be contaminated can be just as great a barrier to redevelopment as actual contamination. Therefore, sites where contamination is merely perceived, and site conditions are unknown, are still considered brownfields. One third of the brownfield sites that have been assessed with EPA brownfields funding have turned out to be free from significant contamination.
Superfund sites are brownfields, or brownfields are Superfund sites.	Under the statutory definition, brownfields do not include Superfund sites, i.e. sites that are on or have been proposed for listing on EPA's Superfund National Priorities List of severely contaminated sites. Currently, only approximately 1,200 Superfund sites are designated. Brownfields are much less contaminated than Superfund sites, much less expensive to address, much less complicated by regulatory and legal constraints, and much more amenable to voluntary, cooperative approaches.
Brownfields are only an urban problem.	Contaminated properties affect nearly every town, large and small. Small and rural communities are impacted not only by former industrial sites, but also by closed gas stations, dry cleaners, old dumps, contaminated rail yards, mine-scarred lands, agricultural wastes such as pesticides, and many other challenges. Many EPA brownfield grants have been awarded to communities with less than 25,000 people.
Brownfields are an environment-only issue, and an EPA-only problem.	While brownfields by definition involve real or perceived environmental contamination, the solutions to brownfields problems almost always involve much broader issues including economic reuse, neighborhood improvement, infrastructure and transportation capacity, job creation, tax incentives, crime prevention, and many other approaches. Successful brownfield reuse generally occurs when economic and community development issues are addressed along with contamination concerns. The multi-disciplinary nature of brownfields is one reason that more than 20 federal agencies, and a broad range of state, local, private, and non-profit entities are now involved in brownfields revitalization.

Why are Brownfields Important? The Benefits of Brownfields Revitalization

The cleanup and reuse of brownfields provides many environmental, economic, and community benefits. The growing number of success stories from around the country demonstrate that more and more communities are beginning to discover that investment in brownfields programs and projects pays off in many ways. Some of these benefits include:

- **Protection of Public Health and the Environment:** By encouraging and supporting the reuse of brownfields, communities can facilitate the clean-up of contaminated properties that otherwise would continue to threaten public health and safety.
Example: The Magic Marker site Trenton, New Jersey was used for 40 years by a series of owners who were engaged in the manufacture and storage of lead acid batteries. Contamination left behind was of special concern because the property is surrounded by a densely populated low-income residential community and stands directly opposite an elementary school. The City of Trenton acquired the site, conducted several investigations, and conducted an innovative "phytoremediation" pilot study in 1998 using mustard plants to extract lead and heavy metals from the soil. The EPA used its authority to remove 200 drums of hazardous material and a large underground storage tank. On February 10, 2004, a "concrete-breaking" ceremony launched the final phase of cleanup, preparing the site for 38 new residences expected to be built in 2005.
- **Location benefits:** Brownfields revitalization can put prime real estate back into productive use, because brownfields are often located in strategic places near waterfronts, railroad and transportation routes, and center city areas.
Example: In Des Moines, Iowa the locality and the private sector are working to revitalize the "Riverpoint West" area, located adjacent to the central business district along the Des Moines River and connected to key roads.
- **Infrastructure advantages:** Brownfields are places that have already been developed. They typically are served with existing infrastructure, which can be more efficient to upgrade when compared to extending new infrastructure into greenfield areas.
Example: Stamford, Connecticut's brownfields are focused on the south waterfront area along the Long Island Sound, in close proximity to Interstate Route 95, the Amtrak Metro North corridor, a major multi-modal transit station, and major electric, telecommunications, water, and sewer utilities.
- **Economic/tax base development:** Brownfields cleanup and redevelopment can serve as a catalyst for economic development and expand the jobs and tax base of local governments.
Example: The small and long neglected City of East Palo Alto, California has expanded its overall tax base by ten-fold in the last decade and reduced its dependency on federal grants from 50 percent of its operating budget in 1995 to less than 1 percent today, primarily through the "Gateway 101" redevelopment of a brownfield area into retail, housing, and commercial businesses. East Palo Alto predicts that the redevelopment of the Ravenswood Industrial Area, the community's next target, will create 4,000 new jobs and more than \$1 million per year in new local tax revenues.
- **Leveraged investments:** Dollars invested in brownfields typically leverage major resources. The International Economic Development Council conducted a 1999 study of brownfields projects, and concluded that for every public dollar invested in brownfields projects, 2.5 dollars in private sector investment are leveraged. Since the launch of the EPA Brownfields program in 1995, the Agency reports that the federal investment of \$700 million in brownfields has leveraged \$6.5 billion in additional cleanup and redevelopment resources.
Example: The American Airlines Center, home to the NBA's Dallas Mavericks and the NHL's Dallas Stars, now stands at the site of a century-old industrial wasteland in the Dallas central business district. After a \$12 million cleanup, the mile-long site now includes 8 million square feet of apartments, office space, stores and entertainment venues. The American Airlines Center has sparked additional mixed-use development nearby and the City estimates that the project has already created 1,350 jobs. Additional

projects are in the works on adjacent properties to build 1,000 units of multi-family housing, 600,000 square feet of retail space, a 400-room hotel, and 900,000 square feet of office space.

- **Job creation:** Brownfields redevelopment can be an excellent tool for job creation and training. Since 1995, more than 29,000 jobs have been leveraged as a result of the EPA investment in brownfields revitalization. Many more jobs have been catalyzed by State brownfields programs. In addition, many local communities have used EPA Brownfields Job Training and Redevelopment grants to train citizens in the waste assessment and remediation fields, creating 1,740 brownfields employment opportunities. Example: The Jobs for Youth Training Center in Boston, Massachusetts is using EPA funding to provide a 460-hour training course to 60 young workers in topics including Hazardous Materials Handling, Environmental Chemistry, and Applied Mathematics and Computer Skills. These new workers are helping revitalize brownfields in the Boston region.
- **Sprawl deterrent:** Disinvestments in central cities and brownfields can push growth to the edge of the established communities, and can result in sprawling development on the fringe. Concerns over liability, contamination, and clean-up costs at urban brownfields can make them less attractive to build on than greenfields (open space), which in turn contributes to sprawl and the associated transportation and environmental issues. Clearly, reinvestment in brownfields is a linchpin of "smart growth." In 2001, an EPA-sponsored study by the George Washington University, titled "Public Policies and Private Decisions Affecting the Redevelopment of Brownfields: An Analysis of Critical Factors, Relative Weights and Area Differentials," found that 4.5 acres of greenfields are saved for every one acre of brownfields that is redeveloped. Example: The St. Louis Development Corporation is working with the regional council of governments to create a network of local officials who will better connect open space preservation and brownfields redevelopment. This network is seeking to identify brownfields and open space needs of individual communities and the overall metropolitan region, and evaluating the establishment of a "true cost" development impact fee system and regional transfer of development rights program.
- **Environmental Justice:** Brownfields are often located in poor, predominantly minority communities. The cleanup of these blighted sites can bring new hope, investment, and vitality to these neighborhoods. Example: In Chattanooga, Tennessee, 5,300 people live in the Alton Park area, which has a poverty rate of 61 percent, and a median household income of \$12,300. The area's population is 98 percent African American. Chattanooga has launched a brownfields cleanup and revitalization initiative in the 2.7 mile area which has approximately 34 state-designated contaminated sites. The City and its partners have held a land-use planning charrette, targeted brownfields cleanups through the use of a GIS-based system, and established a Master Redevelopment Plan. In 2003-2004, the community began to remove more than 600 abandoned public housing units at the McCallie Homes area that were badly contaminated with lead and foundry sand, to clear the way for new housing and community facilities.
- **Community amenity promotion:** Brownfields revitalization can help localities build on their assets and emphasize the character of the community. Example: Kansas City, Missouri has established a "Riverfront Heritage Trail" along nine brownfields areas. This nine-mile trail connects Riverfront Park, the River Market, and downtown Kansas City via a series of scenic bicycle and pedestrian paths. The Trail, completed in time for the 200-year anniversary of the visit of explorers Lewis and Clark in summer 2004, should be a major resource for the local tourism economy.

A Federal Brownfields Agenda

- The EPA and the federal government have been major catalysts for local brownfields revitalization, and the key federal role in brownfields is expected to continue. In 2002 President Bush signed the Small Business Liability Relief and Brownfields Revitalization Act which launched an enhanced federal effort to assist local communities in cleaning up their brownfields. The bill provides significantly more funding for brownfields site assessment and cleanup, liability relief for innocent parties and small businesses, and increased cleanup certainty. A summary of the bill is provided in the box on the right.
- Brownfields are one of the EPA's top environmental priorities. The EPA has launched several initiatives to fulfill its mission of empowering states, communities, and other stakeholders in economic development to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. The EPA brownfields program promotes brownfields in four key ways — protecting the environment from brownfields contamination, promoting partnerships for brownfields revitalization, strengthening the marketplace for brownfields redevelopment, and promoting sustainable reuse of brownfields for long-term quality of life.
- All of these activities are enhanced by overall "Land Revitalization" and "One Cleanup" initiatives launched by the EPA Office of Solid Waste and Emergency Response in 2003. The Land Revitalization initiative is designed to ensure that communities can go beyond mere cleanup of contaminated properties to their productive reuse. The One Cleanup initiative is meant to apply the successful brownfields approach to other types of contaminated sites, and to harmonize the varying federal requirements and programs that are applicable to these different types of sites, including brownfields, Superfund sites, RCRA sites, petroleum brownfields, and contaminated federal properties.
- A cornerstone of the EPA program is its brownfields grant program. This program provides funding to localities for:
 - ✓ **Brownfields assessment grants** (typically up to \$200,000) to assess brownfields sites and to support local brownfields programs;
 - ✓ **Brownfields Job Training & Redevelopment grants** (up to \$200,000 over two years) to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field;
 - ✓ **Brownfields Cleanup grants** (up to \$200,000 per brownfield site) provides direct cleanup grant funding to state and local governments and non-profit organizations for site cleanup; and
 - ✓ **Brownfields Cleanup Revolving Loan Fund grants** (up to \$1 million for use over five years) to capitalize loan funds to make loans to public and private sector recipients for the environmental cleanup of brownfields. In addition, since 2003, community RLF recipients may use up to 40 percent of these resources to provide direct cleanup subgrants.

Through these programs, the EPA also provides funding for "petroleum brownfields," including abandoned gas stations and "USTfields" affected by underground storage tanks. Twenty-five percent of the EPA funding provided for brownfields assessment and cleanup is directed toward these petroleum brownfields. In addition, the EPA Office of Underground Storage Tanks (OUST) is providing resources and fostering partnerships for the recycling of America's abandoned gas stations. OUST has also formed agreements with organizations like Habitat for Humanity and the Wildlife Habitat Council to promote the reuse of petroleum brownfields for housing, parks, and wildlife habitat areas. OUST is likewise launching an effort to promote the reuse of abandoned gas stations for small retail outlets like coffee shops, copy stores and convenience markets.