

What is a Brownfield and do I have one?

Grants Programs

Redeveloping Blighted Properties through the Brownfields Initiative

Celebration Centre

Lyons, Kansas

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Terracon
A TAB/CHSR/KSU Contractor

Brownfields Defined

**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.**

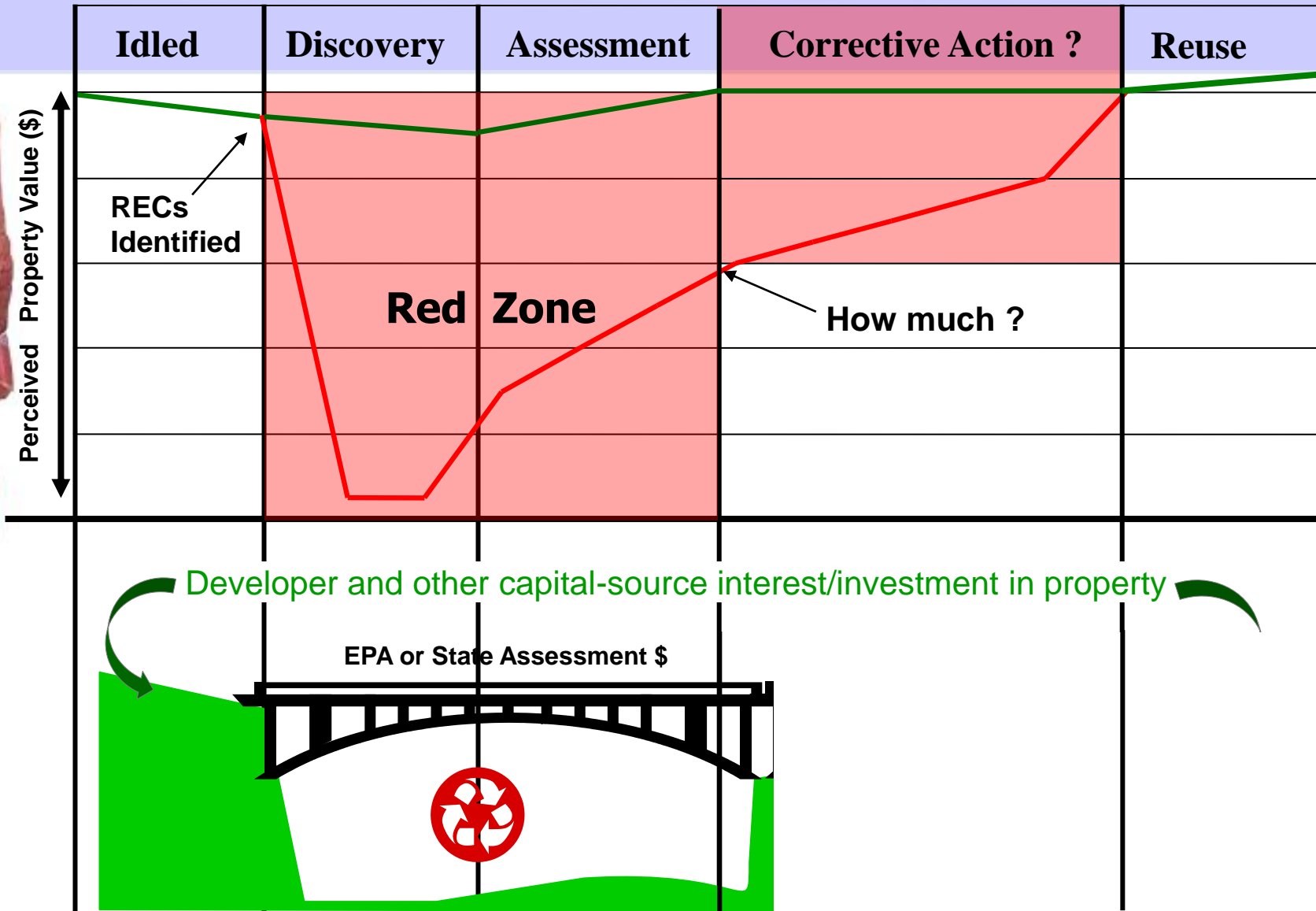
What are Brownfields ?

- Brownfields are real estate deals with an environmental “twist” that complicates, but does not prevent, redevelopment of the property. Often, the property is not even contaminated
- Brownfields are properties caught between “clean” and “nasty” Superfund
 - “Clean enough” not to be public hazards
 - Perceived as too “dirty” for bankers’/investors’ comfort
- Typically, contaminants and risk improvement would never be addressed on these sites by regulatory agencies if the property were not redeveloped

Practical Faces of Brownfields

- Yes, you do have them.
 - Every community and county has brownfields
 - Not all are eligible for state or federal financial help
- It isn't visual
 - All 'bad looking' properties are not brownfields
 - 'Good looking' properties can be brownfields
- They may be public property or private real estate
- Not properties where those responsible for contaminant releases can ignore their obligations
 - Liable and viable responsible parties have obligations
 - Imminent health threats must be dealt with
 - Much friendlier arena in which to resolve problems

How Grants Apply To Brownfields



RECs: ASTM E1527-05 Recognized Environmental Conditions produce a stigma that affects property value whether impairment is real or not.

Practical Faces of Brownfields

- You are going to see some specific Kansas Brownfields later as part of KDHE's presentation
- But to start off, let's check out a few generic, faces of typical Midwestern properties
 - 7 'everyday' property scenarios
 - Common types of property
 - Some similar, but different funding eligibilities

1. Active Rail Property



- Owner:** Shortline Railroad
- Occupant:** Active & abandoned rail areas, coal storage, mixed use
- For Sale:** Yes, a few preliminary failed deals by builders disinterested when they found it had been a rail area since late 1890s.
- Assessed:** No
- Contaminated:** Unknown, stigma of railroad use although no maintenance facilities, odd coloration from coal area.
- Local Effect:** City and nearby residents feel the riverfront location could be better used to serve the community to support a hotel and riverfront parks.

1. Active Rail Property



**EPA GRANT
FUNDED**

- Owner:** Shortline Railroad
- Occupant:** Active & abandoned rail areas, coal storage, mixed use
- For Sale:** **Yes**, a few preliminary **failed deals** by builders disinterested when they found it had been a rail area since late 1890s.
- Assessed:** No
- Contaminated:** Unknown, **stigma of railroad** use although no maintenance facilities, odd coloration from coal area.
- Local Effect:** City and nearby residents feel the riverfront location could be better used to serve the community to support a small hotel or parks property.

2. Abandoned Property

Owner:	Local Bank (Foreclosure)
Occupant:	Abandoned
For Sale:	Yes
Assessed:	No
Contaminated:	Probably, heavy historical industrial use.
Local Effect:	Community considers location viable for public works and recreation center.



2. Abandoned Property

Owner: Local Bank
(Foreclosure)

Occupant: Abandoned

For Sale: Yes

Assessed: No

Contaminated: Probably, heavy historical industrial use.

Local Effect: Community considers location viable for public works and recreation center.



BTA* FUNDED

* BTA: CERCLA 128(a) assessment known in Kansas as a Brownfields Targeted Assessment

3. Former Rail Property

- Owner:** Small Business
- Occupant:** No rail use. A few small businesses rent remaining siding buildings for storage, rest are vacant.
- For Sale:** Yes
- Assessed:** No
- Contaminated:** Unknown. No records of problems on file with state or EPA, but City told railroad properties can have environmental problems.
- Local Effect:** City would like to acquire and clear the property to expand for redevelopment opportunity for rail-based businesses.



3. Former Rail Property

Owner: Small Business

Occupant: No rail use. A few small businesses rent remaining siding buildings for storage, rest are **vacant**.

For Sale: **Yes**

Assessed: No

Contaminated: **Unknown. No records of problems** on file with state or EPA, but City told railroad properties **can** have environmental problems.

Local Effect: **City would like to acquire and clear the property to expand for redevelopment** opportunity for rail-based businesses.



Abandoned and under-used with a perception the old land use may have caused problems, but no known contaminants.

4. Former Gas Station

Owner: Private

Occupant: Abandoned and building demolished, used for parking.

For Sale: Yes

Assessed: Yes

Contaminated: Yes, active 2002 state leaking underground storage tank file shows gasoline in soils and groundwater, high risk. Deep fills on property.

Local Effect: Good corner location near to the downtown, could be better used to support tax base than as a parking lot.



4. Former Gas Station

Owner:	Private
Occupant:	Abandoned and building demolished, used for parking.
For Sale:	Yes
Assessed:	Yes
Contaminated:	Yes, active state leaking underground storage tank file shows gasoline in soils and groundwater, high risk . Deep fills on property.
Local Effect:	Good corner location near to the downtown, could be better used to support tax base than as a parking lot.



Alternate Funding: City purchased with due diligence after owner obtained minimal No Further Action for soils and restricted groundwater use and transferred with LUST Fund insurance policy. City accessed \$450,000 to cleanup to higher and better use with voluntary cleanup program closure for protection of groundwater resources and resale to developers.

5. Former Fertilizer Storage

Owner:	Private
Occupant:	Abandoned 2002
Age:	Built 1968
For Sale:	Yes, Contract pending with community recycling group.
Assessed:	No
Contaminated:	Unknown. However, prospective purchaser is concerned that fertilizer storage and old railroad operations may have impacted soils.
Local Effect:	Perceived contamination has delayed sale and proposed redevelopment. Abandoned facility remains a nuisance and an hazard to area residents.



5. Former Fertilizer Storage

Owner: Private

Occupant: Abandoned 2002

Age: Built 1968

For Sale: Yes, Recycling center construction proposed. Sales contract pending.

Assessed: No

Contaminated: Unknown. However, prospective purchaser is concerned that fertilizer storage and old railroad operations may have impacted soils.

Local Effect: Perceived contamination has delayed sale and proposed redevelopment. Abandoned facility remains a nuisance and a hazard to area residents.



FUNDED

Through State 128a / BTA

6. Former Drive-In Theater

Owner:	Private
Occupant:	Abandoned 1998
Age:	Built 1952
For Sale:	Yes, contract pending with school district.
Assessed:	Yes, limited assessment under RCRA Permit for adjacent property.
Contaminated:	Unknown, previous assessment did not account for potential residential development.
Local Effect:	Perceived contamination diminished adjacent property values and prevented reuse. Demolition debris and abandoned buildings present hazards to children.



6. Former Drive-In Theater

Owner: Private

Occupant: Abandoned 1998

Age: Built 1952

For Sale: Yes, **Contract pending with school district**

Assessed: Yes, limited assessment **conducted under RCRA Permit for adjacent property.**

Contaminated: **Unknown**, previous assessment did not account for potential residential development.

Local Effect: Perceived contamination diminished adjacent property values and prevented reuse. Demolition debris and abandoned buildings present hazards to children.



FUNDED

Through State 128a / BTA

Eligible to assess unknowns, but not eligible to address known impacts from the RCRA facility for the responsible party.

7. Metals Scrapyard

Owner: Private Business

Occupant: Owner

For Sale: Potentially

Assessed: No

Contaminated: Unknown, but commercial metal salvage operations known to have environmental problems.

Local Effect: City needs to purchase property for street and utility realignments and to improve gateway aesthetics. Not sufficient project value or demonstrated need for condemnation.



7. Metals Scrapyard

Owner: Private Business

Occupant: Owner

For Sale: Potentially

Assessed: No

Contaminated: **Unknown**, but commercial metal salvage operations known to have environmental problems.

Local Effect: **City needs to purchase property for street and utility realignments and to improve gateway aesthetics.** Not sufficient project value or demonstrated need for condemnation.



**BTA &
GRANT FUNDED**



Brownfields are Opportunity

“Opportunity is not recognized by most people when they meet, because it is usually dressed in overalls and looks like work.”

Thomas Alva Edison



THANK YOU



Terracon

Brownfield Services

Serving clients through more than 130 U.S. offices

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