### **Brownfields Program**

More and more, developers are realizing the benefits of revitalizing sites with real or perceived contamination issues. The City of Dallas, along with various state and federal partner agencies, has created one of the nation's premier Brownfields programs. The goal of this innovative program is to assist in the assessment and clean up of specified sites in order to improve their value, to developers and the community alike. For more information, please visit the sections listed below.

### **Dallas Brownfields Forum**

The Dallas Brownfields Forum is the cornerstone of the communication/education effort of the City of Dallas Brownfields Program. The Forum has met since November 1995 and has consistently worked to identify solutions to the obstacles and barriers that impede redevelopment of Brownfield sites. This eclectic group of stakeholders has more than 200 members from many vocations. Environmental attorneys and consultants, property owners and developers, state and federal regulators, federal partner representatives, neighborhood association members, academics, and business owners are some of the participants who meet every quarter to discuss topics relevant to Brownfields revitalization. For the 2006 Brownfields Forum meeting schedule, go to Forum Schedule.

#### **Environmental Insurance**

Investment in and redevelopment of Brownfield sites have historically been risky ventures. Environmental insurance has come to the forefront as a solution. There are eight or nine major providers that offer products and services to site owners and prospective purchasers. The two types of products which address Brownfields or special property transfer include Pollution Legal Liability (PLL), or basic homeowners insurance for pollution, and Cleanup Cost Cap (CCC) which insures against cost over runs incurred during remedial action at a project site. For two sites, from which more information about environmental insurance may be obtained, go to <u>AIG</u> or the <u>Environmental Services Group</u> web site.

#### Landfill Reuse

As communities expand, land that was once out of the city limits or in a less than desirable location may now be adjacent to a major expressway, or business park, or within the city limits. Communities nationwide, both urban and suburban, are confronted with a similar concern: 'What is to be done with the old landfill?' Many municipal solid waste landfills were historically operated beyond city limits and were closed prior to the permitting requirements in place today. These sites, often incorporated as cities expanded outward, are now prime development locations. There are federal, state, and local regulations addressing construction on these sites. Revitalization of closed, pre-permitted landfills is possible and a boon to the community. Learn more about requirements in Texas at the TCEQ web site.

### Legislation

Brownfields redevelopment is an evolving sector of the development field. Each state in the U.S. has individual laws, policies, and rules to guide the redevelopment of Brownfields. As knowledge and understanding of the issues facing Brownfields sites are obtained, federal and state lawmakers revise existing regulations to promote the cleanup of contaminated sites while continuing to protect the environment and human health. For recent information on pending Brownfields legislation, access the web sites below or contact your state environmental agency.

#### Environmental Protection Agency

Texas Commission on Environmental Quality Thomas Legislative Information on the Internet

# **Voluntary Cleanup Program**

The TCEQ, the state environmental regulatory agency, runs the Voluntary Cleanup Program (VCP) in Texas. The VCP provides protection from liability to non-responsible parties and future property owners entering the Program. The TCEQ has a web site that includes extensive VCP Guidance, the application and agreement forms, and database. For detailed information, please visit the <u>TCEQ</u> web site.

### **Brownfields Success Stories**

### Jefferson North End

This 11-acre site was part of a 22-acre property which had been under commercial development since 1905. Buildings were razed in the 1970s leaving the property vacant for more than 20 years. The site housed a gas station, metal finishing operation, battery manufacturing, automotive repair, and paint and varnish manufacturing. Environmental concerns included lead, volatile organic compounds and petroleum hydrocarbons in soil. Groundwater contamination had naturally attenuated. Two developers purchased the site from FDIC and employed soil excavation to clean up the property. The 11 acres were sold to JPI which built a 540-unit multifamily residential complex on the site.

see map and success story profiles

#### **American Airlines Center**

The July 29, 2001 issue of *Time Magazine* featured this multi-purpose entertainment complex which was constructed on the former cooling ponds for an electric power generating plant. The City of Dallas formed a public/private partnership with Hillwood Development Corporation to create the project. Extensive environmental investigation was conducted to identify and delineate environmental concerns. Recognized environmental concerns included fill materials, elevated metals concentrations in fill materials and railroad track ballast, and hydrocarbons in groundwater. No hazardous materials/concentrations were identified on the site. Hillwood financed the environmental investigation and cleanup and the City provided \$125 million for public infrastructure. The \$425 million facility opened with an Eagles concert on July 28, 2001.

The surrounding Victory Development will include the W Dallas Victory Hotel and Residences, a 33-story building with 144 condominiums, 251 hotel rooms, and 42,500 square feet of retail space. Victory Plaza, with office and retail space, and seven additional multistory residential towers with accompanying retail space are planned. For more, go to <u>Victory Park Development</u>.

see map and success story profiles

# South Side on Lamar

The South Side on Lamar complex is a City of Dallas Landmark District listed on the National Register of Historic Places. Through the Historic Preservation Incentives Program, the City authorized tax exemptions for 10 to 15 years valued at almost \$10 million. The complex includes the former Sears, Roebuck Catalog Merchandise Center five buildings totaling more than 1.4 million square feet and approximately 1,500 parking spaces. Throughout the complex, environmental issues included underground storage tanks, asbestos-containing materials and lead-based paint. The one million square-foot main building houses 457 residential lofts, 120,000 square feet of commercial and retail space, and 25 artists' studios. Other complex development will include additional residential, commercial, and hospitality venues.

see map and success story profiles

# **The Site Prioritization Process**

The Dallas Brownfields Program will help property owners or prospective purchasers determine whether they are eligible for a no-cost Phase I or II Environmental Site Assessment. Please visit the link below for the application and supporting documentation:

Site Prioritization application

# Environment

Successful developers recognize the importance of working with communities to ensure a stable and satisfying quality of life. Part of insuring a high standard of living lies in addressing environmental concerns tied to potential or existing business sites. Because they are often part of community politics, environmental issues can halt or delay even the most thought-out projects. Anticipating and examining environmental questions are therefore crucial to the development process.

\_\_\_\_\_

# The Environment in Dallas

Before starting a site or building search, use the following list of commonly asked questions to create a portrait of potential environmental concerns. Below are some useful questions to help you get started. Their focus is on the most critical factors in an

environmental evaluation. It is recommended that you seek out both numeric and verbal responses to each:

Air Quality - Is the volume of air emissions generated by a business considered a minor or major source by the regulatory agency?

Hazardous Waste - What are the characteristics of the waste and the volume generated? Issues to consider include volume, transport, storage, and disposal.

Noise, Vibration and Odor Emissions - What are the regulatory requirements in the applicable city, state?

Outdoor Storage - What amount and type of storage are permitted by area regulations?

Process Effluent - Is pretreatment required based on volume and chemical characteristics of the effluent?

Sanitation - What are the requirements for businesses to discharge process effluent into the sanitary sewer?

Water Factors - Examine the drainage, floodplain, soil structure, surface and ground water, water table, and wetlands.

Weather - Inquire about the climate in your proposed location and find out about historical weather patterns.

# Air Quality

The U.S. Environmental Protection Agency (EPA) has classified the Dallas-Fort Worth area (Dallas, Tarrant, Collin, and Denton counties) as a serious non-attainment area for ozone. An attainment/non-attainment area either meets or fails federal air quality standards. Furthermore, non-attainment levels are broken down into five sub-categories: marginal, moderate, serious, severe, and extreme. The EPA categorizes areas by testing the concentration levels for six air pollutants; the allowable limits will vary by industry. The six pollutants are:

- 1. Carbon monoxide
- 2. Lead
- 3. Nitrogen dioxide
- 4. Ozone Chiller refrigerants may have an effect.
- 5. Particulate matter
- 6. Sulfur dioxide

Although the EPA is charged with measuring air quality, the Texas Commission on Environmental Quality (TCEQ) is responsible for air permits and developing the State Implementation Plan (SIP). This plan details the efforts and commitments made by a state in fulfilling its Clean Air Act obligations.

The TCEQ Air Permits Division is responsible for processing and issuing permits for facilities emitting pollutants into the air. The permits are divided into two categories, New Source Review and Operating Permits. The City of Dallas' Environmental Health Services Department reviews all permit requests of the TCEQ for construction and modification of operations (for facilities within Dallas) that could become sources of polluting air emissions. All facilities in the city that have the potential to contribute significantly to air pollution are inspected regularly. For more information please visit dfwcleanair.com.

### **Hazardous Waste**

Commercial and industrial hazardous waste are regulated by the <u>TCEQ</u> or <u>EPA</u>. Visit their websites for information and contacts.

### Above ground and Underground Storage Tanks

Above ground and underground storage tanks are regulated by the TCEQ and must be registered. Visit the <u>TCEQ</u> web site for details.

#### Water

The City of Dallas Building Code provides specific information on water and wastewater service. The City of Dallas web site provides the significant <u>requirements</u> for establishing new water or wastewater service with Dallas Water Utilities.

<u>The Storm Water Quality Section</u> of the Department of Public Works and Transportation at the City of Dallas has developed and implemented a comprehensive storm water management program which includes pollution prevention measures, treatment or removal techniques, storm water monitoring of legal enforcement authority, and other appropriate means to control the quality of storm water discharged to the Municipal Separate Storm Sewer System.

# Flood Plain Management

Flood plain management information may be obtained from the City's <u>Public Works and</u> <u>Transportation Department</u>.

#### Water Permits

Each state in the nation has an environmental agency which regulates water resources. Water permits in Texas are regulated by the TCEQ. Visit the <u>TCEQ</u> website for specific information about permits, drinking water, water quality management, protection and water source assessment.

#### **Ground Water**

Ground water may become an issue to development contingent upon state regulations. The State of Texas now allows municipalities to establish Municipal Setting Designations (MSD) to eliminate or reduce investigation and/or cleanup of historical contamination in shallow groundwater. Visit the <u>TCEQ</u> web site for details. For the

City of Dallas MSD requirements and application, visit the *Department of Development Services* page on *Dallascityhall.com*.

### Surface Water

Regulation of surface waters of the United States will vary from state to state. Check websites of <u>local regulatory agencies</u>.

# Wetlands

These are regulated by the US Army Corps of Engineers in Texas. Jurisdiction will vary from state to state and waterbody to waterbody. Check the <u>EPA</u> Wetlands web site and local or state regulatory agencies to confirm jurisdictions.

# Environmental Site Assessments (ESAs)

If you feel that you have considerable environmental concerns related to your selected development site, the Office of Economic Development <u>Dallas Brownfields Program</u> may perform a no-cost Phase I or II ESA for eligible properties based on availability of funds.

A Phase I ESA should be conducted before purchasing a site or facility. The EPA has developed the All Appropriate Inquiry (AAI) standard which outlines the steps property owners must take to protect themselves from possible Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) cleanup liability following property purchase. For more on AAI, visit the EPA web site. The American Society for Testing and Materials (ASTM) has developed an updated Phase I ESA standard, ASTM E1527-2005, which EPA will recognize. Copies of the standards in paper and electronic formats are available on the <u>ASTM</u> web site. See below for further explanation of the two phases of ESAs.

Phase I - Recognition of Hazards. The Phase I ESA is a qualitative investigation which is conducted prior to a property transaction (purchasing, leasing) and includes a walkover of the site and a records search to determine if there are recognized environmental concerns associated with the property which may require additional investigation. This is a component of a purchaser's/lessee's due diligence.

Phase II - Analysis of Hazards. The Phase II ESA is a quantitative investigation triggered if the findings in the Phase I ESA identify recognized environmental concerns which require a subsurface (soil, water) investigation. There may be several iterations of Phase II ESAs (Phase IIa, IIb, IIc, et cetera) to fully define the vertical and horizontal extent of contamination and define the scope of work for site cleanup.