

# Environmental Cleanup via Early Transfers: *Fast Track to Redevelopment*

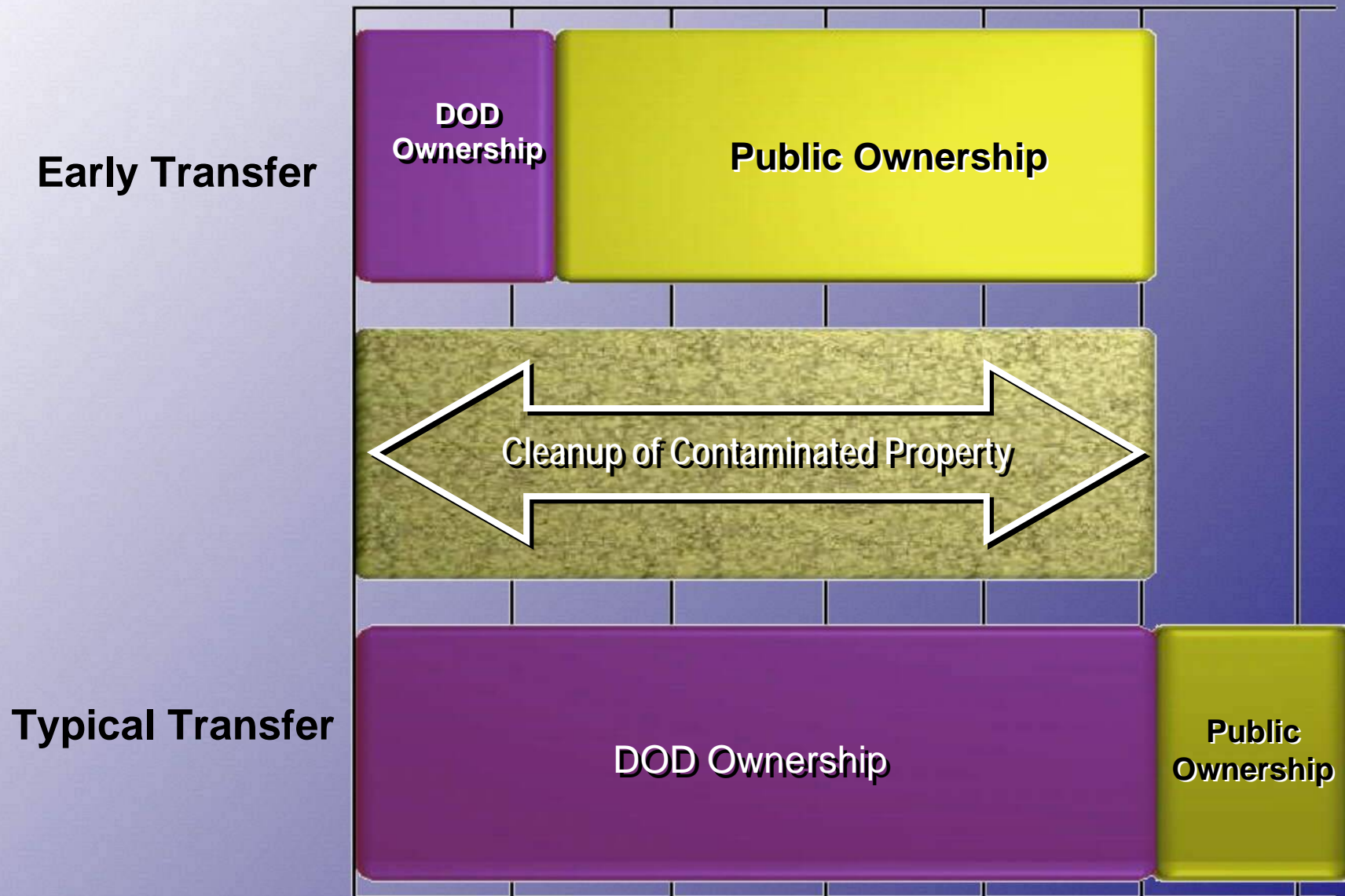
Sean Rome

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# Overview

- **Early Transfer Process**
- **Early Transfer Case Studies (via BRAC)**
- **Conclusions**

# Comparing Typical versus Early Transfer



# Early Transfer Highlights

## Provides 'Brownfields –Type' Benefits\*

- Property Transfer (*deed transfer*)
- Focus shifts to intended land use (not environmental past)
- Property moves onto local tax rolls
- Attracts investors
- Longer term commitments from industry
- Real estate sales revenues and entitlements
- Releasing previous owner involvement in leasing because there is a new property owner

\* CERCLA Section 120(h)(3)(C)

# Early Transfer - A Proven Process

## Success Stories at:

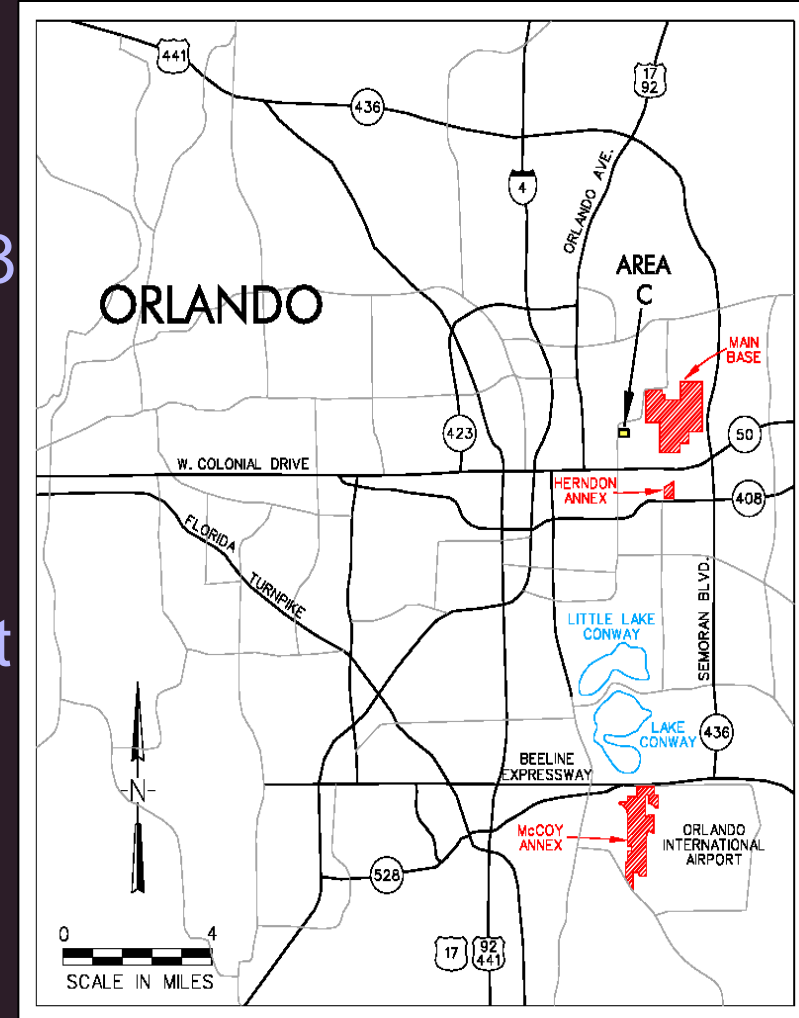
- |     |                                   |           |
|-----|-----------------------------------|-----------|
| 1.  | FISC Oakland                      | 1999      |
| 2.  | NAS Memphis                       | 1999      |
| 3.  | NWIRP Bristol                     | 1999      |
| 4.  | NAS Agana (Guam)                  | 2000      |
| 5.  | FISC Alameda Annex                | 2000      |
| 6.  | Guam GLUP                         | 2001      |
| 7.  | NTC San Diego                     | 2001      |
| 8.  | Naval Complex Long Beach          | 2001      |
| 9.  | NSY Mare Island (2)               | 2002      |
| 10. | <i>NAS Cecil Field</i>            | 2002      |
| 11. | <i>NTC Orlando (3)</i>            | 2002 - 05 |
| 12. | NWIRP Toledo                      | 2003      |
| 13. | NCTS Stockton                     | 2003      |
| 14. | NOS Louisville                    | 2004      |
| 15. | Charleston Naval Complex          | 2005      |
| 16. | <i>KARS, Kennedy Space Center</i> | 2006      |
| 17. | <i>NS Puerto Rico</i>             | Ongoing   |

# Overview

- Early Transfer Case Process
- **Early Transfer Case Studies**
- Conclusions

# NTC Orlando (a.k.a. Baldwin Park)

- 2,072 acre facility in heart of Orlando
- 650,000 sailors graduated ('68 '95)
- 55 study areas
- 300 tanks
- Typical transfer property didn't fit



# NTC Orlando

## The Problem

- Navy desire to transfer property to developers
- Developers desire to accept the property.
- Low to moderate level contamination.

## The Goal

- Work together for a win-win for all parties.
- Use innovative approaches.

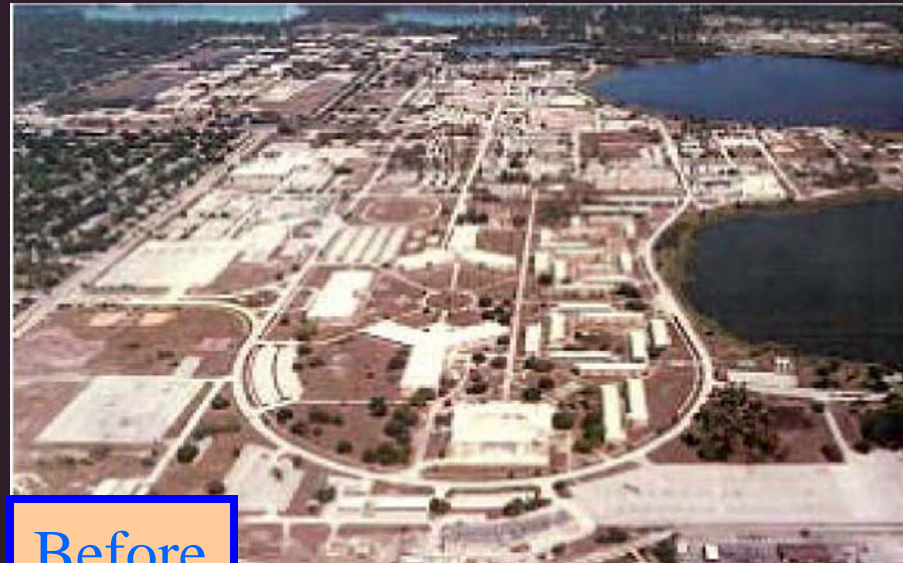
# PROPERTY DISPOSAL SUMMARY

- **NTC Orlando consists of 38 Parcels**
- **Approximately 81% of NTC Orlando transferred to the City of Orlando for community redevelopment**

NUMBER OF TRANSFERS	TRANSFER METHOD
4	Public Sale
12	Public Benefit Conveyance
2	DoD Transfers
1	Negotiated Sale
2	Fed-to-Fed Transfers
17	Economic Development Conveyance

# NTC Orlando – ET Phase 1

- Fast track early transfer to ensure funding for property developer
- Fastest (10 wks) early transfer in DOD History!
- First early transfer in Florida!
- Sites were investigated & remediated *during* development
- Redeveloped as a residential community (i.e., Baldwin Park)



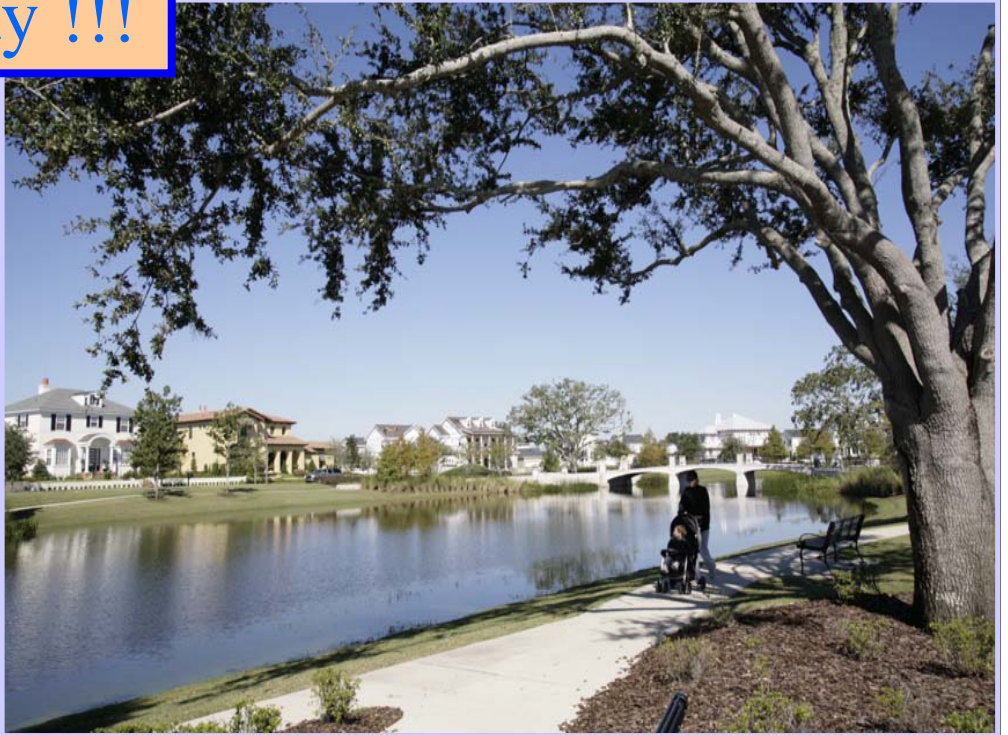
Before



During

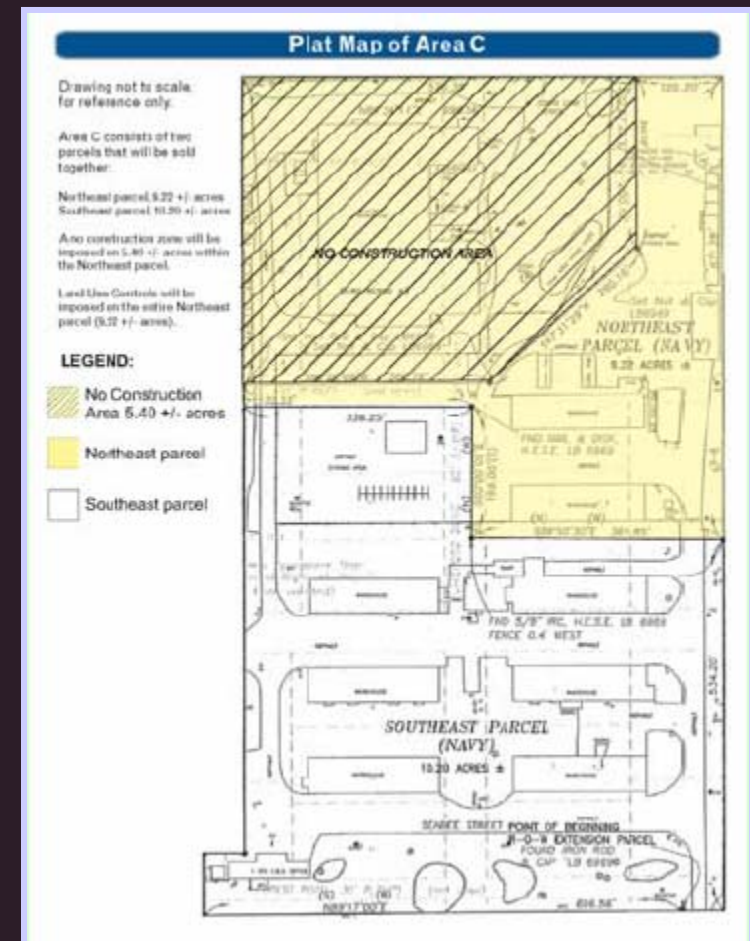


Today !!!



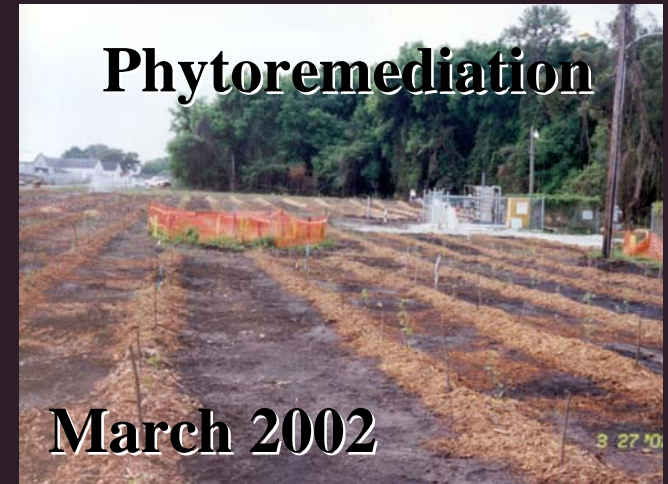
# NTC Orlando – ET Phase 3

- Chlorinated solvents in GW
- City did not want property
- Public auction via GSA
- Bundled with clean parcel to increase appeal
- Navy-retained cleanup with land use controls
- Appraisal - \$2,500,000
- Sale price - \$4,500,000
- Remaining cleanup - \$910,000



# LESSONS LEARNED

- Early and frequent communication
- Utilized 'Green' technology for remediation (i.e., phytoremediation)
- Capitalized on GSA's experience with public auctions of government property
- Selling clean property with contaminated property
- Well-defined site characterization / risk
- Used LUCs to minimize contamination risk and reduce remedial costs!
- Found Motivated transferee (High Bidder)
- Recipient of USEPA R4 Phoenix Award!



# NAS Cecil Field, FL

- NPL in 1989
- Selected for BRAC in 1995
- 17,225 acre facility
- BRAC Cleanup Team (BCT) established
- Remediation & LTM ongoing
- 95% of property transferred to City of Jacksonville in 2002
- 95% delisted from NPL on June 21, 2003
- Redevelopment ongoing



# NAS Cecil Field, FL (cont.)

## Lessons Learned

- Risk based closure saves \$\$\$!
- Developed EGIS & document management system allowed for rapid decision making.
- Near real time data provided basis for decision making processes regarding redevelopment.
- Again, Partnering between stakeholders and regulatory community crucial.

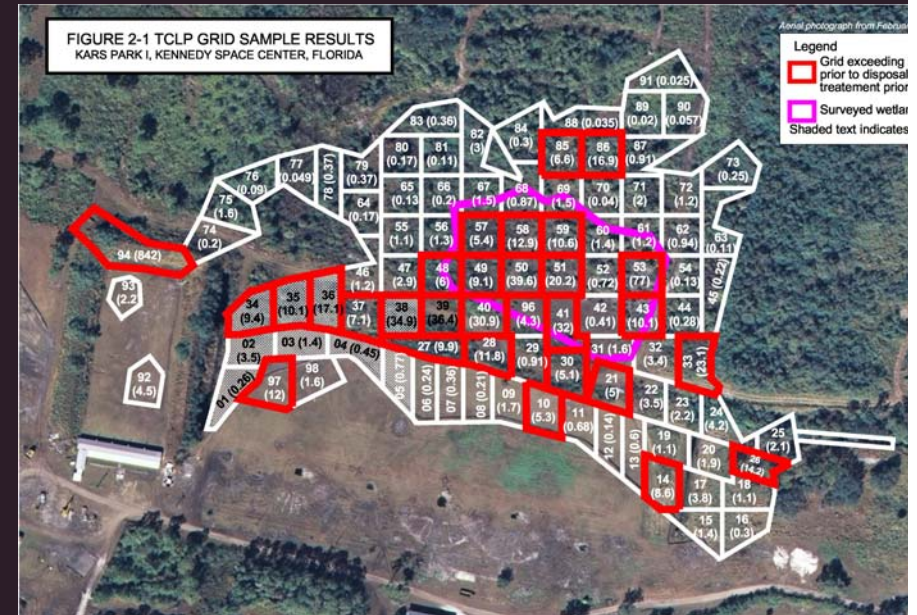


**NAS Cecil Field BCT  
Partnering Team**

# Kennedy Space Center, FL

## ➤ Kennedy Athletic Recreation & (KARS) Park

- ~35 Acre Shooting Range
- Transferred to KSC Recreation Division in 2006.
- Pilot: Soil Treatment/Removal for Lead
  - MAECTITE® Addition
  - Kiln Dust Addition



# Kennedy Space Center, FL (cont.)

## Lessons Learned

- Pilot study saved \$920K; Full scale \$5.5 M saved
- Communicating end vision with Regulatory and stakeholders crucial.



# NS Puerto Rico

- Former Naval Station Roosevelt Roads
- Utilized Economic Development Conveyances (EDCs) and Public Benefit Conveyances (PBCs) to transfer land
- Resulted in Fair Market Value, Reduced Cost or No Cost
- Received env. remediation sales tax credits.
- Privatized cleanup whenever possible



# NA Puerto Rico (con't)

## Lessons Learned

- Enticed public and private ownership through use of EDCs, PBCs, env. remediation sales tax credits, etc.
- Final transfers ongoing = more to learn!

## Conclusions

- Using early transfer the focus shifts to:
  - New land use / employment opportunities
  - New owner's operating objectives
- Property moves onto local tax rolls
- Brownfield efficiencies and benefits
- Work with regulatory agencies upfront
- Communicate 'End Vision'
- Partnerships foster success!

## Conclusions (cont.)

Everyone plays a part in Redevelopment

- DOD/Current Owner - transfer property while maintaining CERCLA liability under various contract vehicles
- Developers - redevelopment and cleanup
- Regulators - oversight of new owners
- New Owners - maintain and report on LUCs, if any
- Stakeholders - *BE PATIENT and HAVE FUN!!!*



# Tetra Tech, Inc.

Questions?

Thank you for attending!

Sean Rome

Phone: 904.540.6918

Email: [sean.rome@tetrattech.com](mailto:sean.rome@tetrattech.com)