

# Focus on Kansas, Oklahoma A Bumper Crop of Brownfields

by Steve Dwyer

ike most of its neighboring Plains States, Kansas places a lot of stock in its rich, productive farmlands. Greenfields are supposed to remain pristine, and in Kansas the encroachment on farmland for redevelopment has two options: Slim and none.

Like the crops that yield a large haul of foods, Kansas' brownfield redevelopment program is in full harvest. From July 2009 to July 2010, Kansas brownfields has put 75 properties in redevelopment play, beginning with Phase I and then Phase II (environmental remediation assessment). Targeting small, rural communities such as Columbus and De Soto, most of these 75 sites are still a work in progress, and will bear fruit in another year or two as they move through the Phase I and Phase II process.

"Wichita, Topeka and Kansas City might be our bigger cities, but we have been able to tap into a lot of resources in our small rural towns. We secured state grants for redevelopment and are doing projects like construction of libraries, day care centers and fire stations," said Ryan Weiser, Brownfields Coordinator, Kansas Dept. of Health and Environment.

One of the secret ingredients over this past year in enabling these projects has been a decided emphasis on community outreach, said Weiser. "We increased our dialogue with mayors and city administrators. We collaborated with the state's department of commerce on a block grant workshop that drew several hundred people."

Prior to 2009, Kansas lacked the outreach to make brownfield inroads, with the revival occurring when Weiser came on board over the past 18 months. "Ryan been persistent in his actions and has made a huge difference," said Doug Doubek, unit chief for the state response and property redevelopment.

One of the type of property use opportunities that Kansas has leveraged has been the closure of armory sites in the state. "We had 18 armories close over this past year. The ownership has reverted back to the city in these instances, and our program has teamed up with these communities on redevelopment. A lot of those are being converted into community centers. We have relied a good deal on 104K and CDGB block grants to push financing."

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As this work is carried out, Phase I assessments encapsulate an overview of property, chain of titles, surrounding properties that impact that property and site reconnaissance. Then, environmental conditions are identified. Recognized environmental conditions are reviewed and then further investigation is considered for soil and water samples.

Weiser said in the Phase II process, each community has their skeptics—people that have a fear of "what if we find something" from an environmental standpoint, and then who is responsible. "Local leaders in these towns are receptive to our programs. We did a lot of outreach, including two workshops, one in Hutchison and another in Oletha, and had a great turnout," he said.

In Kansas, said Weiser, excusing new property owners from liability on a brownfield is not an automatic, as the stakeholders must endure a rigid audit from the state on who they are and what their intentions are. "We have a strict 'nuisance law' that decrees that we have the obligation to go after a property owner even if it's a case where that owner was clearly not responsible for any pre-existing contamination. We try not to go after innocent landowners, and will reach out with 'comfort letters.' We may eventually conclude that the

new sponsor is innocent, but by law we can't automatically relieve them of liability."

Nonetheless, progress is being made. One case in point: Columbus, Kan., where the state Dept. of Health and Environment and the local city stakeholders located a buyer for the property, identified the funding resources and then created jobs. This project was crucial because Columbus has been hurting economically, said Weiser. "During Phase II, we talked them through about some concerns about potential liability and worked with them on this. We provided assurances they would not be held responsible. They proceeded with the purchase and in September) had planned to move ahead with development of a light industrial project that will create 12 to 15 jobs."

In Wichita, the program helped facilitate a "rails to trails" bike path on a former railroad corridor. "We extended a cleanup grant and they will now cap and concrete the railroad corridor. The result will be Red Bud Bike Path," said Weiser.

In Kansas, it's not just about following the Yellow Brick Road, but also the Red Bud Bike Path—in a state that envisions more redevelopment success stories over the rainbow.



ansas brownfields—through the state Dept. of Health and Environment—have established a solid reputation for the scale on which redevelopment has refined and redefined their competencies.

A precursor to this ability to mobilize might actually occurred starting in the spring of 2007 when Greensburg (population 1,574) located in the southwest part of the state, saw the worst devastation a city could imagine on May 4, 2007 when an EF5 tornado leveled at least 95 percent of the city, killing 11 people.

After the tornado, the city council passed a resolution stating that all city buildings would be built to LEED-platinum standards, making it the first city in the nation to do so. Greensburg has rebuilt as a "green" town, with the help of Greensburg GreenTown, a non-profit organization created to help the residents learn about and implement the green living initiative.

After the former mayor resigned following the tornado, Bob Dixons was elected mayor and orchestrated the turnaround. The city's power is now supplied by ten 1.25 MW wind-turbines. Carbon offsets generated from the turbines are being managed by NativeEnergy and have been purchased by charter supporters including Ben & Jerry's, Clif Bar, Green Mountain Coffee Roasters, and Stonyfield Farm. Today, Greensburg's arts center has been constructed following the tornado to environmentally stringent LEED Platinum standards. The facility integrates its own solar panels and wind generators for energy self-sufficiency.

Every other year, the U.S. EPA might hand out Phoenix Awards to the best-in-class brownfields projects, but Greenburg, Kan.—like the Phoenix that rose from the ashes—literally did the same, not as a project but as an entire community. It's probably worth some type of award. [340]

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## Plains States: People

by Steve Dwyer

Meet the people of interest in Kansas and Oklahoma who are helping effect change in the brownfield and renewable resources industry.

Jimmie L Hammontree,

Regulatory Affairs Environmental Specialist, Chesapeake Energy Corporation, Oklahoma City

As a member of the Regulatory Affairs group, Hammontree works closely with Chesapeake's government relations and creative services departments on the development of public education materials for all facets of regulatory and operational matters. He manages environmental due diligence on real property, oil and gas asset, joint venture and volumetric production payment transactions for Chesapeake, one of the largest producers of U.S. natural gas and the most active driller of new wells in the U.S.

Hammontree's responsibilities include site assessment, cleanup, and Brownfield initiatives

at the company's non-producing real estate assets. In the last few years, Chesapeake Energy has invested more than \$200 million

through acquisition and cleanup of more than 40 Brownfields in north Texas, and has turned many of these Brownfields into properties that produce clean-burning natural gas. Hammontree leads the company's efforts to identify Brownfield opportunities for natural gas pad sites and for traditional development projects. To date, Chesapeake has developed 25 natural gas wells on former Brownfield sites, thereby removing blight, creating local jobs and generating millions in revenue for the local community.

Prior to joining Chesapeake Energy, Jimmie served as the city of Oklahoma City's Brownfields Coordinator where he developed, implemented, and managed the Brownfields Redevelopment Program, overseeing all aspects of the city's Brownfields Cleanup Revolving Loan Fund program, the

Planning Department's Brownfields site assessment program, and the city's Superfund reuse planning initiative. Hammontree holds a B.S. in Environmental Design from the University of Oklahoma and is a Certified Economic Development Finance Professional.



LeAnne Burnett,

Director, Crowe & Dunlevy, Attorneys & Counselors, Oklahoma City

Burnett serves as a shareholder and director in the firm's Oklahoma City office. She has focused expertise in environmental litigation and regulation, complex litigation and class action defense, and has published numerous works related to her field of practice, and once served as an editor and co-author for the Oklahoma Environmental Law Handbook published by the Oklahoma Bar Association. In addition, Burnett has taught many environmental law seminars for the Oklahoma and Arkansas Bar Associations, the Sovereignty Symposium, and the Oklahoma Brownfields Conference. She is a founding member of the Oklahoma Bar Association's

Environmental Law Section, and served as chair of that section. She has also been a member of the Robert I. Turner Inn of

> Court since 1998, has served with Oklahoma Lawyers for Children since 2000, and sits on the Oklahoma County Bar Association's Fee Grievance and Ethics Committee, Burnett is listed in The Best Lawyers in America (Environmental Law and Water Law) and Oklahoma Super Lawyers. She is a 2010 recipient of the Oklahoma County Bar Association's Leadership in Law award, and was admitted to the Oklahoma Bar Association in 1989 after she received her Juris Doctorate from the University of Oklahoma College of Law. She graduated with numerous honors, some of which include being elected to the Order of the Coif and the Order of the Barristers. Ms. Burnett received her Bachelor of Arts degree from Southern Methodist University in 1971. RIN



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#### Lana McPherson,

City Clerk, DeSoto, Kan.

McPherson has served as city clerk with the city of De Soto since 1998. Prior to that appointment, she was a legal assistant for 21 years in Johnson County, Kan. Attending Rockhurst College and Johnson County Community College, McPherson earned her Certified Professional Secretary designation in 1988, and was named the Kansas "Rookie of the Year" in 1997 by the National Association of

Insurance Women. She has taught the NAIW "Communicate with Confidence" public speaking program and was the Kansas winner in the national Speak-Off competition in 1998. Attending Wichita State University's International Institute of Municipal Clerks, she received the designation as Certified Municipal Clerk in December, 2000. McPherson has served on the board of the Kansas City Clerks and Municipal Finance Officers and serves on three CCMFOA committees. In March 2010, McPherson was named the Kansas City Clerk of the Year by the City Clerks and Municipal Finance Officers Association of Kansas.

Inspired by the possibility of a dream becoming a reality, McPherson detailed her community's desire for a Kansas River access boat ramp and a city park (now Riverfest Park) during the exercise portion of the KDHE's Brownfields Workshop in Leavenworth, Kan. in 2005. "Riverfest Park is the only Brownfields project I've worked on, and it started out as basically a 'grassroots' effort with many letters to people in our community asking for their support and contributions," she said.

McPherson said that city engineer Mike Brungardt "has been a tremendous help in all aspects (of the boat ramp and park), and Patrick Guilfoyle, (city administrator) came on board with the city at the time the boat ramp was officially opened to the public. Both of them have been leading the charge to expand Riverfest Park to the venue it is today, with great plans for the future. Mayor Dave Anderson has been my major supporter from the outset and helped

me keep the dream alive to build the boat ramp for our city's Sesquicentennial. Riverfest Park then had the foundation to help draw people to the area in using the boat ramp to access the scenic Kansas River. It is truly a special place in our community, especially for those of us who grew up here and saw it as the 'old City dump.'"

#### Ryan Weiser, P.G.,

Brownfields Coordinator, Kansas Dept. of Health and Environment (KDHE)

Weiser is the leader of the Kansas Brownfields Program, where he coordinates with local units of government, regional councils, redevelopment agencies, tribal organizations, not-for-profit organizations, and other quasi-governmental agencies across the state to

> conduct Brownfields Targeted Site Assessments (BTAs). The BTA Program provides technical assistance and funding through EPA grants.

From July 2009 to July 2010 activity in the Kansas Brownfields Program reached an all-time high, resulting in approximately 70 redevelopment property assessments. According to Weiser, "the success can be attributed to persistent community outreach activities, collaboration with local and state partners, and a program framework that yields comfort and positive experiences for communities." Prior to joining the

Brownfields Program, Weiser was a project manager in the KDHE Closed Landfill and Dry Cleaning Programs for nearly four years, and has extensive field experience, having worked for five years as a field geologist and GeoProbe<sup>TM</sup> operator prior to coming to KDHE. Weiser is a Licensed Professional Geologist with a Bachelor of Science Degree in Geology from Fort Hays State University.

Are there local decision-makers that you know who are making a positive impact on brown and green initiatives?

Please forward your recommendations so we can recognize them in future Regional Reports.

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# Plains States: Projects

### City of Oklahoma City/Dell Inc.

PROPERTY SIZE/

The site covers 66.0799 acres.

END USE:

The Dell customer service center was built in 2005.

**BACKGROUND:** 

The site is a former unpermitted construction and demolition (C&D) landfill which also accepted some municipal waste. Landfill activities took place between 1950 and the late 1970's. The property is located adjacent to the Oklahoma River redevelopment project and I-44, near the I-40 and I-44 junction; however, it remained vacant for years due to contamination.

**BACKGROUND:** 

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LOCAL COLLABORATION:

**FUNDING:** 

Oklahoma City and Greater Oklahoma City Chamber of Commerce collaborated in making an old landfill a viable site for a Fortune 500 company.

Over \$40 million in private investment and \$22 million in public investment were used to develop an anchor tenant along the Oklahoma River in central Oklahoma City. The number of jobs created by this project ranks it as the top brownfields remediation in Oklahoma in terms of economic impact. Community partners were concerned with the health and environmental issues associated with the site, as well as its contribution in sustaining blight. The activities of motivated citizen groups attracted the attention of local leaders, and ultimately the state and federal resources necessary to transform the site.

The city worked diligently with DEQ, U.S. Army Corp. of Engineers, along with the private sector to ensure all aspects of the project were performed in a legal, safe and environmentally friendly way.

The project received approximately \$24.3 million in public assistance through TIF, EDA and Section 108 job creation payments from the city. This included the city providing the land to Dell for free. Dell also qualified for other incentives due to the location of the site. These incentives included:

- ❖ EZ Employment Tax Credit: Employers may take up to \$3,000 per year in tax credits for each employee who both lives and works in the EZ—a total of up to \$24,000 per eligible employee over the 8-year designation period.
- Increased Section 179 Deduction: Qualifying Enterprise Zone businesses can claim up to \$35,000 (an increase of \$20,000) expensing for property acquired after December 31, 2001. The claim can be made for depreciable property, such as equipment and machinery. This is in addition to the \$100,000 base amount for tax years 2003-2005.
- Work Opportunity Tax Credit: A 1-year tax credit of up to \$2,400 for each new hire from groups with high unemployment rates or other special employment needs, including 18-24 year old individuals living in the Empowerment Zone and summer youth hires ages 16-17.
- Welfare to Work Tax Credit: A two-year tax credit for new hires of long-term family assistance recipients that provides a sum of \$3,500 in year one and \$5,000 in year two—a possible total of \$8,500 per qualified Welfare to Work new hire.

**ECONOMIC IMPACT:** 

Highlights of Dell Customer Services Center in Oklahoma City on Brownfield Site:

- Total economic impact of \$468,397,036 to the city of Oklahoma City
- ❖ Total job impact of 5,933 jobs to the city of Oklahoma City
- Total payroll impact of \$212,131,669
- Almost 6 million in local tax revenues

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- Transformation of underutilized and blighted urban brownfield (landfill) into vibrant economic center with highly skilled and highly paid employees
- ❖ Direct capital investments of more than 40 million dollars in buildings and property
- ❖ A substantial increase in business in the western part of Oklahoma City
- Development of housing, mixed use facilities, office space and parking facilities.

**REMEDIATION:** 

AUG-SEP 2010

The buildings were constructed after the landfill was dynamically compacted. This process filled the voids present in the subsurface from past landfill operations and helped provide surface stability on which to build. Oklahoma City ensured that vapor barriers were installed under the foundation of the onsite facilities to prevent vapors from entering. Modified HVAC systems were installed on the first floor, and HVAC systems were installed and balanced to place the building under positive pressure, with fresh air intakes on the roof to reduce indoor air recirculation.

### **Branson Landing and Convention Center**

LOCATION: Sycamore and Pacific streets, Branson, Mo.

BACKGROUND: This 95-acre site situated along Lake Taneycomo was originally home to a marina, trout fishing

cottages, and a gas station. The area across Box Car Willie Dr. was formerly occupied by a petroleum plant, a hardware store, and private residences. The city of Branson, in an effort to expand its tourism

industry, acquired the property for redevelopment.

CONTAMINANTS: Total petroleum hydrocarbons (TPH) contaminated soils and groundwater were present on the

properties, as well as benzene in the soil.

ASSISTANCE: The city of Branson received \$54 million in State Tax Increment Financing to help fund redevelopment.

PROTECTION: Petroleum products remain in the soil. A restrictive covenant limiting the site to multifamily

residential and commercial use is in place as well as a monitoring contract.

There is also a restriction on the use of groundwater.

INVESTMENT Total redevelopment investment of these adjoining properties is \$420 million and approximately

AND RESULTS: 2,500 jobs had been created.

REDEVELOPMENT Opened in April 2006, followed by the convention center in October 2007, the new 220,000 square foot convention center with a 260-room four star convention hotel and a nearby 100-room boutique hotel.

The landing itself has 100 shops and restaurants containing a total of 465,000 square feet of retail space. The anchor stores to this complex are a 65,000 square foot Bass Pro Shops and a 68,000 square foot Belk department store. A 1,600 foot boardwalk runs along the edge of the lake, upon which a \$7.5 million Veges style fountain and fire display were constructed. In addition, 140 westerfoott lawyers.

\$7.5 million Vegas-style fountain and fire display were constructed. In addition, 140 waterfront luxury condominiums, marinas, parking and entertainment were built.

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