

Virginia Brownfields and Voluntary Remediation Program Program Background and Success Story Summary

Most states have established voluntary environmental cleanup programs to revitalize contaminated lands, and these efforts are key to states' success in achieving remediation goals while promoting economic development by making contaminated land available for safe reuse. Resolution of the environmental issues allows developers, property owners, and lending institutions the comfort to purchase property, provide financing, and move forward with projects which may otherwise be stymied thereby leaving the land vacant or underutilized silently reducing surrounding property values and draining the local government of resources by the decrease in property taxes. Such properties may be a detraction on the community and its economy and can tie up public safety resources such as law enforcement and fire which may be needed to respond to incidents at such sites.

The General Assembly adopted the statutes for the Virginia Voluntary Remediation Program (VRP) in 1995 and the regulations were adopted in 1997. Since that time, over 400 sites have voluntarily enrolled in the VRP with over 230 of the sites closed, resulting in about 3200 acres of redeveloped property within the Commonwealth facilitating billions of dollars of redevelopment. The service provided by VRP allows property owners, developers, and city planning officials to work with DEQ in a cooperative manner, so that properties can be remediated to risk based standards and allows for a final resolution of the environmental liability caused by what are typically historic environmental issues. In 2002, DEQ and the EPA signed a Memorandum of Agreement for cooperation of the agencies for the brownfields/voluntary cleanup programs and to allow a participant who has completed Virginia's VRP to be of no further interest to the federal agency.

There is no argument that completion of the cleanup and resolution of the liability is good for the community and the economy however quantifying those benefits has proved more challenging. In May of 2008 the University of Delaware released a detailed study evaluating 119 sites for the economic benefits of revitalizing brownfields sites with the conclusion that for every dollar spent by the Delaware Department of Natural Resources and Environmental Control's Brownfields Program a return of almost \$17.50 on the state's initial investment is realized. In March of 2009, the staff for the Virginia Department of Environmental Quality developed a study which assessed the beneficial impacts of six successfully redeveloped brownfield properties in Virginia to build a knowledge base that would support and guide current and future policy programs. The project developed a model to predict the impact of future brownfields projects based on selected criteria. The Environmental Council of the States in November 2010 released the study *Measuring the Benefits of Land Revitalization: State Successes and Challenges* which examined the data that have been used to successfully convey the benefits of cleanup and revitalization. This report presented 29 case studies from 13 state agencies to identify the common threads contributing to their success, and then touches on the challenges in collecting quality land

revitalization data. The *State Brownfields and Voluntary Response Programs: An Update from the States* provides details for various state environmental, financial, and technical programs, including the incentives designed to promote brownfields cleanup and redevelopment.

The popularity of this program has led to a backlog of sites which has been complicated by the decreasing federal funding which the VRP has depended upon to cover all expenses. The federal funding for Virginia's program has come from the EPA through CERCLA Section 128(a) grants which have been capped at \$50 million for all the states and tribes. As the number of states and tribes applying for these funds has increased, the total award for each grantee has decreased leading most states with active programs to supplement this funding. One of the statutory requirements of the VRP is to provide a mechanism that minimizes the delay and expense of remediation and with all development, timing can be key to the success of a project. This decrease in funding and the resulting decrease in staff have slowly eroded the Program's ability to respond in a timely manner to sites enrolling in the Program. The result has been a significant increase in the time that a site takes to reach closure making it challenging to meet the business needs of a developer.

A broad range of participants have utilized this program including property owners such as industry interested in divesting property, developers, non-profits, prospective purchasers of property, churches, estates/heirs, universities, counties, cities, and state government.

Examples of the wide range of projects:

The **United States Patent and Trademark Office (USPTO)** located in Alexandria is estimated to be the highest value redevelopment on a VRP site to date. This site was an abandoned landfill which was redeveloped into a campus style office complex consolidating 18 offices located in the Washington, DC metro area into one facility located in Virginia. This complex has an employment of over 9,000 of which 5,600 have Virginia residences. The total value of this redevelopment is now assessed at approximately \$1 billion.

The **South Jefferson Redevelopment Area** located in Roanoke consisted mainly of abandoned and underutilized property which has been remediated by completion of enrollment of six different sites in the VRP. The Carilion Riverside Clinic and the Virginia Tech Carilion School of Medicine is among the redeveloped properties now valued at over \$200 million.

The Mill at South River is located in Waynesboro and is a former closed textile mill under redevelopment by heir to property. Site closure from the VRP was reached in December 2010.

Auto Recyclers, LLC in Buena Vista revitalized an industrial property shuttered for over 20 years when the firm ceased operation and then maintenance of the structures. Auto Recyclers promised four employees in the first year and actually employed 18 and now has 25 people employed. Furthermore the abandoned property now active and maintained and a asset to the community.

Additional examples of projects:

Federal Express Depot - Prince William County (*FedEx distribution center developed on a closed landfill near Fort Belvoir*)

Summerhouse Resorts- Virginia Beach, (*beach front development condos on top of old dry cleaners*)

Carlyle Development - Alexandria, (*several blocks of commercial and Residential Buildings developed on an old landfill and rail yard*)

Corning Danville Site (former), Danville (*vacated manufacturing complex being converted into parcels for existing local economy*)

Chain Bridge Road Hotel, Fairfax (*hotel development*)

Winchester Lamp Plant, Winchester (*GE plant being redeployed for Rubbermaid use*)

Rocketts Landing, Richmond/Henrico (*significant residential development on banks of James River*)

Arlington Mill Community Center, Arlington (*community center development on underutilized land*)

Ford Norfolk Assembly Plant (former), Norfolk, Virginia (*vacated Ford truck plant being converted into other industrial use and warehousing*)

Witter Recreational Park, Alexandria (*recreational park on underutilized land*)

Former Eveready Battery Site, Newport News (*Very large mixed use development on Jefferson Avenue*)

Long Bridge Park, Arlington (*soccer fields and recreation complex recently showcased in the Washington Post*)

References

University of Delaware study

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