

Partnering Brownfields: Laws, Tools and the Marketplace Opportunity

Moderated by
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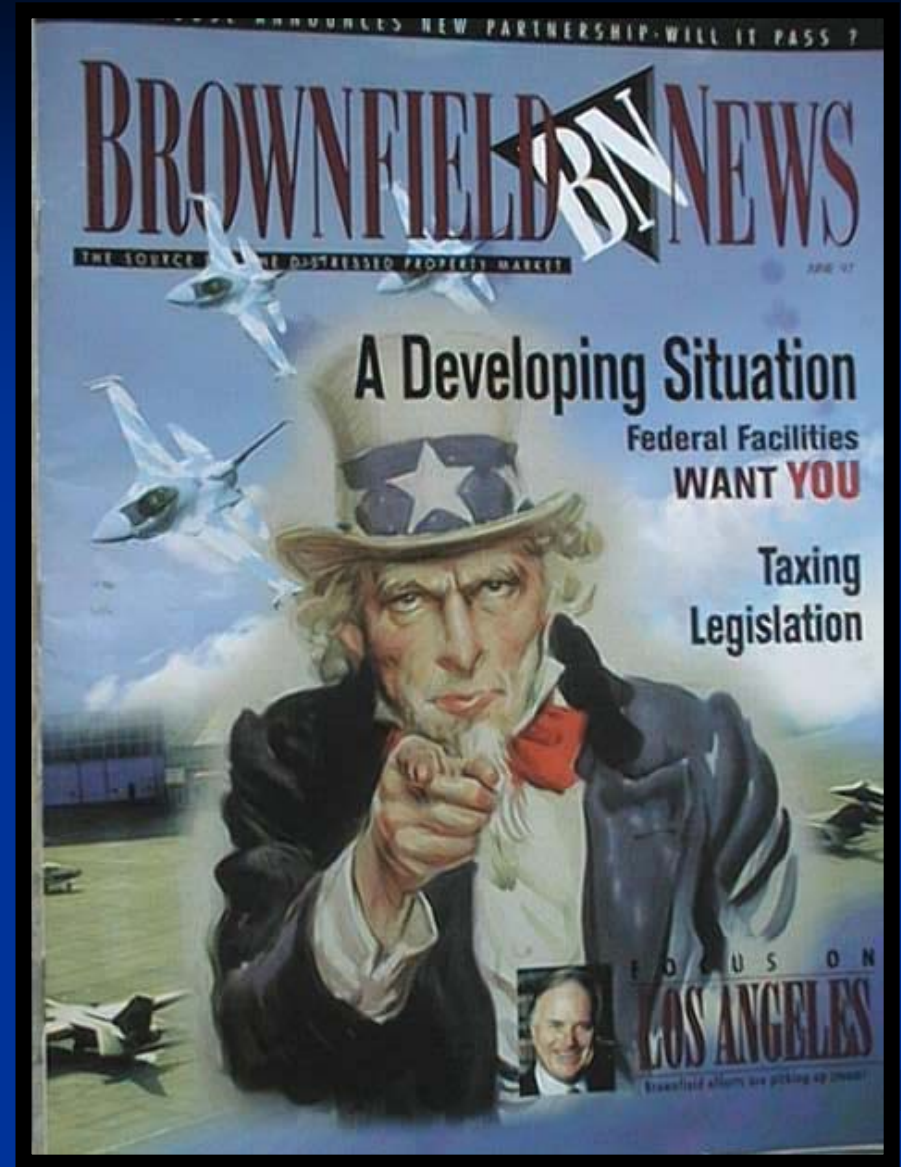
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**Northwest Environmental Summit
Association of Washington Business**

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Current Topics

- The Marketplace Driver
- Incentives and Risk Transfer
- Funding
- Recent Developments
 - State (*e.g. Pending VCP Changes, Lien Bill*)
 - Federal (*AAI/Aviall*)
- Cutting Edge Issues (*e.g. Stakeholders, Deals and Residential Redevelopment*)
- Panel Role: “Gap-Bridging” Trends, Development Integration, Funding and Legal Issues





Sabbatical Brownfield



Real Brownfield



Real Brownfield

Brownfields Incentives: Recent General Developments

Brownfields and Future Land Use

- Softening of “Command and Control”
- Evolution of the toolbox: technology, regulatory practice, marketplace sensitivity and insurance/risk transfer products
- Increasing attention to protection of future land use and “no further action”
- “What was Love Canal but a massive failure of institutional controls?”

The Brownfields Mantra: *“Site Specific Risk Assessment is Good”*

- “No longer shall we be burdened by past, foolish determinism which treated all sites alike and defined cleanups based on a regular diet of dirt.”

Step 1

Asarco

- EHA buys 15 Asarco Houses for \$2+M
- Asarco uses the \$ to remove soil above 3000 ppm in the Fenced Area in 2004

Everett Housing
Authority



Step 2

Asarco

- EHA buys Fenced Area for \$1+ M after Ecology cert (8/04)
- Asarco uses the \$ to: (a) remove soil in Fenced Area & (b) clean rest of R-2 zone to residential standards at all 15 Asarco Houses and 22 non-Asarco Houses

Everett Housing
Authority



Step 3

Asarco

- Asarco caps Fenced Area with 2+ feet of topsoil; Ecology certifies cleanup to residential standards to EHA
- EHA rehabs & sells 8-15 Asarco Houses (\$150K+ ea) for \$1-2 M
- EHA sells Fenced Area lots (\$30K ea) for \$3M

Everett Housing Authority



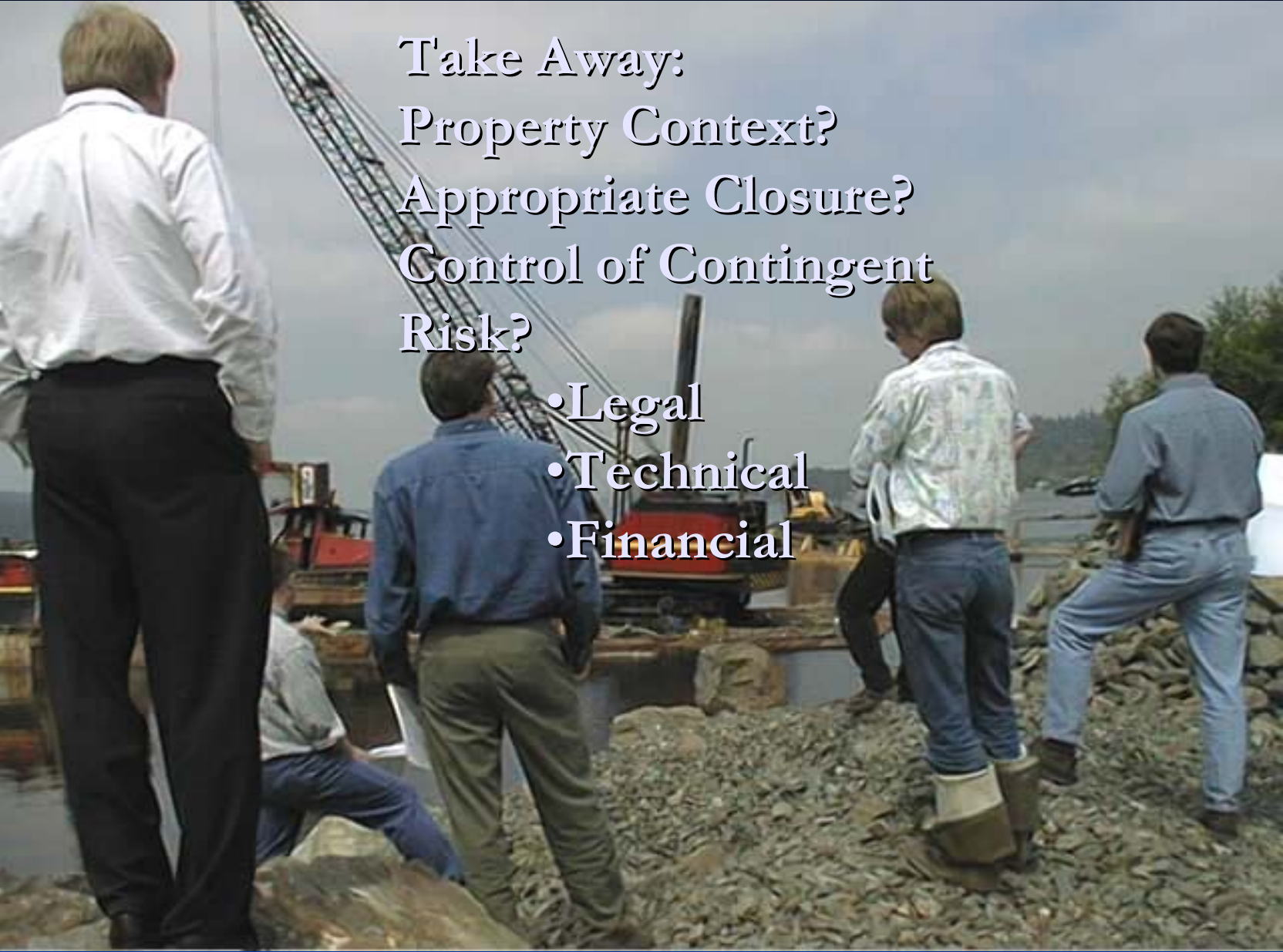
Agreements & Approvals Needed

City Actions/Agreements

- EHA/City agreement & contingent loan agreement for repayment of line of credit
- City designations of blight, community renewal area, and EHA as community renewal agency (so EHA can sell the cleaned up property)
- *Later:* City approval of community renewal plan/project & processing of R-1A rezone, subdivision applications, etc.

Key EHA Approvals Needed

- Purchase & Sale and Remediation Agreements with Asarco (for Asarco to sell the property & do the cleanup)
- Prospective Purchaser Agreements with Ecology (to limit liability); deed restrictions
- EPA and Ecology grant and trust fund approvals
- EPA approval order for disposal of all soils at Asarco Tacoma



Take Away:
Property Context?
Appropriate Closure?
Control of Contingent
Risk?

- Legal
- Technical
- Financial