



Brownfields Bulletin



Breaking Down Barriers to Using Brownfields

3rd Quarter 2000, Issue 8

Students turn eyesore into park with community support

A national science contest, a retired science teacher and four eighth grade science students sparked a fire that would spread throughout a community. In September of 1997, the National Science Foundation contest challenged four students at Memorial Park Middle School, a magnet school in Fort Wayne, to go find a problem in their community and to develop a way to solve it. Stephanie King, Kyle Taylor, Ben Amberg, and Caitlin Swihart, called the Lot Environmentalists, chose an abandoned gas station property across the street from their school to be the focus of their science project. They planned to turn this community eyesore into a community asset—a park.

Since the 1950s the property has housed a gas station. The gas station closed over a decade ago, and the underground storage tanks were removed in 1988. The on-site buildings were demolished in 1997. The current owner bought the property hoping to build a restaurant or apartment building on-site. Adjacent to the property is a drycleaners. GAI Consultants, Inc. performed an environmental site assessment on the property in the spring of 1998. Both sub-

surface soil and ground water samples were taken as part of the assessment. The results of the investigation found no contaminants at levels that would pose any risk to human health or the environment. Upon confirmation that no contaminants existed on-site, the Fort Wayne Community Schools Board entered into an agreement with the property's owner to lease the property for \$1 per year over a ten-year period.

Many people had their doubts that such an involved project could be completed by a group of young students. However, the dedication of the students and their teacher and advisor, Larry Lesh, inspired the community to support them in their efforts. Although the Lot Environmentalists, who are now in high school, did not win the National Science Foundation contest, they continued their quest to turn this brownfield into a park. Their efforts included soliciting support from the city, the school board, local organizations, local businesses, and community members - from the Urban Enterprise Association to the local Boy Scout troop. These contributors



provided assistance with surveying, debris removal, landscape design, construction, funding, planting and other activities. Support for this project was provided through donations of money, equipment, labor, expertise and materials. The Memorial Park Middle School also held a personalized brick sale to raise funds for the park. There were more than 35 major contributors to this project. The total project cost is estimated at \$70,000.

Summit Environmental Park was dedicated three years after the project was started at the 20th Anni-

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Current Activities



Statewide brownfields conference coming soon

In conjunction with the City of Bloomington, Indiana University and other Indiana Brownfields Interagency Task Force member agencies, IDEM is planning a statewide brownfields conference to be held in Bloomington, tentatively scheduled for spring 2001.

The main purpose of the conference is to assemble various stakeholders from around Indiana to share local lessons learned in brownfields redevelopment. This also will allow the opportunity to showcase some local and statewide brownfields successes.

With the recent publication of the Indiana Brownfields Redevelopment Resource Guide, a statewide conference provides an excellent opportunity to use the Resource Guide as a training manual for the "Brownfields Basics" portion of the conference, promoting it as a useful tool to communities. The conference also will include a more advanced selection of common brownfields redevelopment topics to address the wide range of stakeholder experience.

Stakeholders may attend other brownfields conferences held around the country with their respective merits. However, there is no substitute for sharing resources and local lessons learned with other Indiana stakeholders – so watch for more information!



In the minds of many, most properties that people associate with Brownfields are usually industrial or commercial in nature. However, many neighborhoods throughout the state have a need to redevelop and revitalize residential properties, as well as to consider commercial properties for conversion into residential ones.

The U.S. Department of Housing and Urban Development (HUD) has recently released **Community 2020** software, available on CD-ROM. Community 2020 is a community planning tool containing census data, information about HUD programs in neighborhoods, as well as other useful tools for helping plan community development activities.

The program allows the user to customize a 2020 package with local data and expand it to include other federal agency data. It also allows the user to access maps of states, counties, block groups, census

tracts, congressional districts and more. HUD program data is available to describe such things as entitlement projects and public housing development. The map library can make 100 multi-layered maps for any location and customize them with local data, calculations and map styles.

By using Community 2020, one can develop a community profile by viewing the demographic characteristics of the individuals and households that make up the researched location. There are seven modules on the easy-to-use CD-ROM that will walk the user through all the services available and basic learning concepts. The tutorial is available at www.hud.gov/epd/soft.html, which follows HUD's Community 2020 training manual. For any questions about the tutorial or mapping software, call (800) 998-9999 and ask for Community 2020 Product Support.



NOW available!

State of the Environment Report 2000



Call (800) 451-6027, press 0 and ask for ext. 3-1044, or call (317) 233-1044, or access via the Internet at www.state.in.us/idem

Interns 2000



We would like to introduce our 2000 graduate interns for the Brownfields Program. Chris Hester (left) and Carrie Wheeler (right) were selected among 15 applicants from IU's Schools of Public and Environmental Affairs. Our graduate intern program is an excellent opportunity for graduate environmental studies students to gain experience working for the state environmental agency. It also offers students insight into the state government. Students interested in applying for 2001 graduate intern positions should contact Michele Ortel.

Q: Can back property taxes on a brownfield site be waived or canceled so a local unit of government can obtain title to a site in order to facilitate its redevelopment?

A: The State Board of Tax Commissioners may cancel any property taxes assessed against real property owned by a county, township, city or town per Indiana Code 6-1.1-36-7. A petition must be submitted by the auditor, assessor and treasurer of the county in which the brownfield property is located requesting that the Board cancel the taxes.

Community Initiatives

cover story cont.

versary celebration of Memorial Park Middle School on May 10th of this year. The park will be enjoyed by the neighborhood and used by the school as an outdoor classroom. A sundial was constructed and donated by a retiree from a nearby community who had bemoaned the sad condition of today's youth prior to learning about this project. Also, a sculpture was created and donated by a former Memorial Park Middle School student. The plaque on the sculpture reads: "*Our Summit - We create our own summits. Together we build as individuals and visions become realities.*" Two Boy Scouts earned their Eagle Badges for assisting with removal activities as part of this project.

None of the students thought this project would take so long to complete. They sometimes thought about giving up, but their dedicated advisor knew they could make it happen.

"I think our students have been able to open doors that our adults wouldn't have been able to open", remarked Mr. Lesh. Belief in their project allowed these students to open doors in the community. The students accomplished a great deal for their community, as well as for themselves. This successful project proves that community support is key to brownfields redevelopment. This park could not have been created without the support and involvement of the community.

Site Highlight



Brownfields remediation funding - a public-private partnership

By W. Calvin Kelly, Program Manager,
Indiana Development Finance Authority

Brownfields LLC, a Bloomington-based company that focuses on brownfields redevelopment, has undertaken a brownfield project that will be the first of its kind in the state. The project's unique character stems from its public-private financing partnership that included Monroe County, Brownfields LLC and the Indiana Development Finance Authority (IDFA).

The brownfield property is the former RCI Recycling Plant on Old State Road 37 south of Bloomington. Former operations at the four-acre site by a scrap metal recycling company resulted in lead and cadmium contamination in the soils at the site; years of neglect and abandonment also left the site overgrown and further added to the perception of major contamination. The land was purchased at a county tax sale by Brownfields LLC in 1996 and assessed by IDEM through a Brownfield Environmental Assessment. Following the IDEM assessment, the project's environmental concerns were considered to be easily addressed through the course of normal remediation procedures.

This knowledge allowed Brownfields LLC to approach the Monroe County Commissioners and IDFA with a plan. That proposal plan, the first of its kind, involved the issuance of a low-interest brownfields remediation loan from IDFA to Monroe County. The remediation loan would be drawn from the state's Brownfield Revolving Loan Fund, which was established in 1997 by the Indiana General Assembly. Since the loan program only allows for remediation loans to local units of government, Brownfields LLC proposed that Monroe County re-loan the money specifically for use on the RCI project, following mutually agreed upon plans and goals.

This creative approach was viewed by all to work perfectly within the fund guidelines, while still injecting cleanup money into private projects. After Monroe County received its loan from IDFA, it executed a separate loan agreement with Brownfields LLC, thereby obtaining a security interest in the project. This unique financing model

has been well received by other municipalities. Since the loan was made to Monroe County in late 1999, more than \$625,000 in additional remediation loan funding has been made available to other private brownfield projects using the Monroe County approach. The property is currently in IDEM's Voluntary Remediation Program.

Additional questions regarding state funding assistance for a brownfield project can be submitted to Calvin Kelly, IDFA Brownfield Program Manager, at (317) 233-4332.



Mark Your Calendars!

Indiana Brownfields Assessment Grants 2000

August 18, 2000
Application Deadline

National Brownfields Conference Brownfields 2000

October 11-13, 2000
Atlantic City Convention Center
Atlantic City, New Jersey

Brownfields Score Card Program

37



Comfort and Sites
Status letters issued*

71



Grants awarded

26



Assessments
completed

7



Loans approved

*IDEM's Brownfields Program no longer issues No Further Action letters. Site Status letters have been developed to answer environmental site status questions.

In Brief

Private developer with environmental concerns

If you are a private entity looking for low-interest money to help with cleanup on a brownfield property, look no further. As part of the U.S. Environmental Protection Agency's Brownfields Redevelopment Initiative, IDEM has money available to loan directly to private entities. The Brownfields Cleanup Revolving Loan Fund is available for non-time critical removals. A total of \$350,000 is available at interest rates ranging from 2.5 percent to 3 percent. But don't hesitate, the fund will only be available through September 2000. For more information, contact Michele Ortel.

March 2000 Brownfields Site Assessment Grants awarded



On March 21, eight communities were awarded Indiana Brownfields Site Assessment Grants through the Brownfields Remediation Revolving Loan Fund. A total of 10 grant applications were reviewed by IDFA, Department of Commerce and IDEM staff; IDEM and IDFA are continuing to work with two of the communities (City of Frankfort and Town of Bluffton) that applied for grants from this round. The decision to award funding was a cooperative effort by these three state agencies; the total grant amount awarded is approximately \$217,000. Proposed brownfield projects utilizing these grant funds range from an abandoned gas station to a property for Habitat for Humanity housing.

Following is a list of those communities with their respective grant award amounts:

Political subdivisions and amounts awarded

Town of Sheridan	\$ 22,260
City of Seymour	\$ 27,045
City of Warsaw	\$ 31,721
Town of Winamac	\$ 14,597
City of Terre Haute	\$ 39,500
City of Evansville	\$ 31,105
Monroe County	\$ 11,560
(with Habitat for Humanity)	
City of Indianapolis	\$ 39,984

Brownfields Loans approved



On March 21, the City of Mishawaka was approved to receive an Indiana Brownfields Loan totaling \$1.3 million through the Brownfields Remediation Revolving Loan Fund. Funding is for brownfields remediation and redevelopment, specifically asbestos abatement and demolition, at the former Uniroyal site. Seven communities have been approved to receive Brownfields Loans to date; the total amount of loans approved is \$2,065,000.

Following is a list of all communities with their respective loan amounts approved:

Political subdivisions and amounts approved

City of Ft. Wayne	\$500,000
Town of Pierceton	\$ 50,000
Town of Kewanna	\$ 50,000
Monroe County	\$ 50,000
City of Lafayette	\$ 65,000
Town of Pierceton	\$ 50,000
City of Mishawaka	\$ 1,300,000
TOTAL AMOUNT	
APPROVED	\$ 2,065,000

Issues

Brownfields and bankruptcy

Bankruptcy is a legal proceeding in which the assets of a person or company are collected and preserved for distribution to creditors in a uniform manner. However, if a bankrupt entity owns contaminated property, this property is often presumed to be a liability rather than an asset. It may be treated by the creditors and the bankruptcy court as a hot potato, ending up back in the hands of the bankrupt entity (with no money for cleanup) or simply abandoned.

These contaminated properties are prime examples of brownfields. However, bankruptcy proceedings provide a framework for remediation and redevelopment that does not typically exist for other brownfields. Creditors (who have the power to make decisions about the allocation of assets) have an interest in turning the debtor's liabilities into assets. Government entities are usually already involved because most debtors owe back taxes. Thus, governments can wield some influence over the decision to redevelop rather than abandon property. They may encourage redevelopment by providing site assessments and loans for redevelopment.

The risk of liability is also reduced in bankruptcy because a debtor or trustee actually owns the contaminated property. All remedial work may be done before ownership is transferred, thus eliminating the liability of the creditors.



Brownfields Bulletin is published quarterly by the Indiana Department of Environmental Management to inform local government officials, business representatives and interest groups about brownfields redevelopment initiatives and success stories from within and beyond the state.

A brownfield site is an industrial or commercial property that is abandoned, inactive or underutilized due to actual or perceived environmental contamination.

IDEM's overall mission is to make Indiana a cleaner, healthier place to live. IDEM's brownfields initiative helps communities remove barriers for sustainable growth.

Comments and ideas are welcome; e-mail IDEM Brownfields Program Chief Dana Reed Wise. To get on the mailing list, call (800) 451-6027, press 0 and ask for ext. 3-1044, or call (317) 233-1044.

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Technical and educational assistance
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P.O. Box 6015
Indianapolis, IN 46206-6015
www.state.in.us/idem/olq/brownfields

Financial assistance
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1 N. Capitol, Suite 320
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