

Clackamas County Brownfields Strategy

Background

As part of executing the “Jobs Producing Land Implementation Plan”, Clackamas County Business and Economic Development staff commissioned a study to examine how to maximize the potential of existing contaminated sites. The study, conducted by Pat Brady of Brownfield Development, LLC, evaluates the costs involved in assessing and cleaning up 20 strategic industrial and commercial sites that have known or suspected contaminated soils. These sites were selected from the Department of Environmental Quality’s list of 106 known or suspected brownfields sites in Clackamas County. They were chosen based on site size, location, perceived redevelopment potential, and current site cleanup status.

Summary of Brownfields Evaluation Findings

The “Clackamas County Strategic Brownfields Evaluation” evaluated costs associated with assessment, remediation, and monitoring. In summary:

- Ten sites show redevelopment potential if clean-up efforts could be stimulated. Together they total 28 acres with a real market value of \$11.9 million. Clean-up costs are estimated at \$6.5 million.
- Six sites are already in the clean up process or have completed this work. Combined, they total 29 acres, \$12 million in real market value, and \$7.4 million in estimated clean- up costs.
- The remaining four sites are unlikely to need government assistance to redevelop because 1) The property owner is likely to clean up the site since cleanup costs are low and the assessed value of the business is significant, or 2) the ongoing businesses located there have little incentive to address contamination issues in the near term. They will become more motivated when they when they are ready to sell the property or to expand on site and need bank financing. Both instances are likely to trigger the need for site assessment and clean-up work.

Clackamas County’s Strategy for Dealing with Brownfields Sites

In October 2001, The Board of Commissioners directed staff to develop a range of strategies for them to consider as next steps in addressing brownfield contamination issues. At a work session on December 4, 2001 the Commissioners directed staff to pursue the following strategies. In general there are two approaches. The first is more global and the second is very site specific. The action steps to be taken will be tailored to the conditions on each strategic site.

General Efforts to Promote Brownfields Awareness and Cleanup Efforts

- **Look for state and federal funding opportunities.**
As grant opportunities arise, inform the Board of Commissioners of options and request their input on how aggressively staff should pursue them.
- **Maintain staff expertise**
...on brownfields issues and practices. Staff will attend the annual brownfields conference sponsored by EPA and state conferences on the subject. This will make staff more effective in advising property owners on next steps.
- **Pursue additional funding:**
 1. Add a brownfields related project to the County's Needs and Issues list for future state and federal funding consideration.
 2. Develop a grant request for Oregon Lottery funds through the Mt. Hood Economic Alliance to fund level 1 assessments on up to 10 strategic sites.
 3. Consider other funding sources such as Community Development Block Grant program, if sites meet low/moderate income criteria.
- **Developing other local incentive programs to spur private remediation efforts.**
This could include:
 - Urban renewal districts could add brownfields cleanup efforts to their project list. A clean-up cost sharing program or other financial contributions could be considered in these areas.
 - Flexible financing terms could be offered through the Mt. Hood Economic Alliance Revolving Loan Program
 - On a case by case basis for key strategic sites, the county could consider relinquishing county liens if private cleanup efforts are implemented.

Efforts to Work on Specific Sites and with Property Owners

- **Work with Property Owners:**
Staff has sent letters to property owners of the most promising 10 sites to share site information developed by the study, and encourage redevelopment efforts. Future efforts will include follow-up phone calls, assistance in finding funding for next steps in the process, explaining options for cleanup and referrals to experts in site assessment and clean-up work.
- **Evaluate additional sites...**
Look at the Oregon Department of Environmental Quality active or suspected brownfields list for additional analysis. Request additional Mt. Hood Economic Alliance grant funds to conduct a Round 2 of the brownfields evaluation.

- **More in-depth site assessment work.**
 Pursue a \$200,000 Environmental Protection Agency brownfields Assessment Pilot grant for more in-depth level I & II assessments on several of the strategic brownfields sites identified in the Clackamas County Strategic Brownfields Evaluation. Contract for brownfields expertise to guide county efforts, and provide for community involvement.

- **Pursue Insurance funds**
 ...to defray clean up costs: The county could contract with experts or provide loans to initiate insurance archeology efforts on strategic sites. If a valid insurance policy on the site can be found, it can help defray cleanup costs for the owner or prospective purchaser.

- **Take on a site redevelopment liaison role:**
 County staff could link up owners of brownfields sites with prospective purchasers. They could continue to work with both parties and state and federal agencies to facilitate the clean up process.

- **Deal with “orphan” sites:**
 Some sites where cleanup costs are very high will become “orphan sites” that the county would involuntarily acquire through tax foreclosure. As the owner, the county would need to take an active role in clean up efforts. In that scenario, the county might partner with the Department of Environmental Quality through its Orphan Program on next steps in the clean up process.

- **On a case by case basis - own strategic sites.**
 The county will consider purchase or control of strategic sites and be actively involved in funding assessment and cleanup efforts. This would allow the county to control redevelopment. Sites that have the potential for high job creation and market value upon sale could be targeted. Opportunities will be brought to the BCC for their consideration as they arise for further direction on whether an investment is merited.