

1999 ANNUAL REPORT

FLORIDA BROWNFIELDS REDEVELOPMENT ACT

HISTORY and SUMMARY

The Brownfields Redevelopment Act (Act) was created by the Florida Legislature in 1997 (Chapter 97-277, L.O.F.) and amended in 1998 (Chapter 98-75, L.O.F.). The Act encourages the reuse and redevelopment of brownfield sites within designated brownfield areas. Brownfield sites are “sites that are generally abandoned, idled, or under-used industrial and commercial properties where expansion or redevelopment is complicated by actual or perceived environmental contamination.” The Act provided the framework for Florida’s Brownfields Program +to facilitate redevelopment of these sites while also providing for environmental cleanup and protection of the public health and the environment.

Since July 1997, the Department of Environmental Protection (DEP) has assisted in the early development of the Brownfields Program. Emphasis in 1998 was placed on outreach and education for a variety of interest groups including communities, environmental consultants, lenders, local governments, economic redevelopment boards, and Realtors. Several administrative actions were necessary as well and include adoption of a brownfields cleanup criteria rule and a tax credit incentive rule, and the negotiation of a Memorandum of Agreement with the EPA addressing each agency’s authority at Florida brownfield sites. For a detailed status of the 1998 Brownfields Program see the December 1998 Annual Report.

In 1999, the outreach and public education efforts initiated in 1997 and 1998 provided the means for local communities to designate brownfield areas. Communities began to identify areas for revitalization and eight (8) local governments passed resolutions designating brownfield areas. The number of designated brownfield areas increased from **three** to **twenty-five** during 1999.

STATE PROGRAM STATUS

Memorandum of Agreement with EPA

On December 2, 1999, the DEP and EPA executed a Superfund Memorandum of Agreement for the Brownfields Program. The Memorandum of Agreement with the EPA specifies the criteria under which the EPA would forego oversight at brownfield sites within a designated brownfield area that are cleaned up or undergoing cleanup in accordance with the provisions of the Act.

Brownfields Cleanup Criteria Rule

(Chapter 62-785, F.A.C.)

Chapter 62-785, F.A.C., the Brownfields Cleanup Criteria, was adopted with an effective date of July 6, 1998. The rule was amended in 1999 along with the petroleum contamination site and drycleaning solvent cleanup criteria rules for consistency within the three programs. The Act required that the contamination cleanup criteria at sites within a brownfield area incorporate to the maximum extent feasible risk-based corrective action (RBCA) principles to achieve protection of human health and safety and the environment in a cost-effective manner. Using RBCA principles, the DEP established a cleanup process and default cleanup target levels for a brownfield site within a designated brownfield area that are protective under actual circumstances of exposure.

Voluntary Cleanup Tax Credit Rule

(Chapter 62-788, F.A.C.)

In order to provide additional economic incentives for brownfields redevelopment, the 1998 Florida Legislature created a tax credit against either intangible personal property tax or corporate income tax for taxpayers that voluntarily participate in the cleanup of a brownfield site in a designated brownfield area pursuant to s. 376.80, F.S.

A tax credit of 35 percent is allowed for the costs of voluntary cleanup activity that is integral to site rehabilitation, with a maximum of \$250,000 per site per year. The tax credit allocation for FY 99-00 is \$2 million. Chapter 62-788, F.A.C., the Voluntary Cleanup Tax Credit rule was adopted with an effective date of March 31, 1999.

Status of Financial Incentives

The Voluntary Cleanup Tax Credit program resulted in one submittal of an application in 1998 and subsequently, an issuance of \$30,228.13 in tax credits for 1999. As of December 1999, one application was submitted. The applicant claimed \$44,549.07 in tax credits. Both applications were for tax credits for site cleanups at drycleaning-solvent-contaminated sites undertaken by the real property owners. It is anticipated that two more applications will be submitted by the deadline of December 31, 1999.

In addition, financial and economic incentives administered by the Office of Tourism, Trade, and Economic Development (OTTED) include the "Brownfield Redevelopment Bonus Refund", (a tax refund, job creation incentive); a revolving loan fund that provides assistance in the funding for low-interest loans; and a limited state loan guaranty. The creation of 1,298 direct jobs and 1,546 indirect jobs can be attributed to the "Brownfield Redevelopment Bonus Refund". Additionally, the inducement of \$41,014,000 in new capital investments is attributable to the "Brownfield Redevelopment Bonus Refund". The jobs and capital investments referred to above are provided by four businesses within designated brownfield areas. (The job creation and capital investment figures reported by OTTED to DEP for August 1999.)

No Further Action (NFA) Orders Issued

One NFA Order was issued in November 1999. This NFA Order was the first for the program and was issued to the Orlando-Sunterra Brownfield Area.

Local Pollution Control Program Delegations

The DEP and two local county governments -- Broward and Miami-Dade Counties -- initiated negotiations to delegate the administration of the Brownfields Program to the respective county. Final delegation agreements

are anticipated in the first quarter of the year 2000.

Florida Designated Brownfield Areas

Local governments are primarily responsible for identifying, delineating, and then designating by resolution parcels to be included in a brownfield area. An important component of the designation process is the formation of an advisory committee to improve public participation and receive public comment on rehabilitation and redevelopment of the designated brownfield area, future land use, local employment opportunities, community safety, and environmental justice.

The number of designated areas increased from a total of three in 1998 to twenty-five in 1999. These designated areas encompass over 54,000 acres of contaminated and uncontaminated properties including residential and viable business properties. **(See Table I, Designated Brownfield Areas.)**

Discussions with local governments during the fourth quarter of 1999 indicate that approximately 22 potential brownfield area designations are forthcoming in the first quarter of 2000.

Brownfield Site Rehabilitation Agreements

Another element of the brownfields program is the execution of a "brownfield site rehabilitation agreement" ("agreement") with the "person responsible for brownfield site rehabilitation" ("responsible person") and the DEP. For an agreement to be executed, a brownfield area must be designated and a responsible person must be identified. The agreement provides the DEP and the public assurance that site rehabilitation will be conducted in accordance with the statute and the Brownfield Cleanup Criteria Rule, and provides liability protection for the responsible person. The agreement contains various commitments by the responsible person, including milestones for completion of site rehabilitation tasks and submittal of technical reports and plans as agreed to by the responsible person and the DEP. It also contains a commitment by the DEP to review technical reports according to an agreed upon schedule. Presently, two agreements have been executed between the DEP and the responsible person. **(See Table II, Brownfield Sites with**

Executed Brownfield Site Rehabilitation Agreements.)

However, other sites within designated brownfield areas have initiated cleanups without signing an agreement with the DEP due to a variety of reasons: (1) the site was determined not to be contaminated; (2) the site was participating in another state-funded cleanup program; or (3) the responsible person choose to “voluntarily” perform the cleanup due to outside business reasons.

During November and December of 1999, nine (9) different entities including local governments have approached DEP to begin negotiations on agreements.

Public Outreach and Education

After the adoption of the Brownfields Cleanup Criteria Rule in mid-1998, the second half of the year involved numerous outreach and educational speaking engagements by the DEP district and Tallahassee staff for various interested city and county organizations, trade shows, and industry groups. Several times during the year and in 1999 various mailings were made to city and county organizations explaining both the economic and technical features of Florida's brownfields program. The public outreach and education continues each day as an ongoing responsibility of the program.

Additionally, the DEP has established a brownfields web site on the Internet for electronically distributing up-to-date information on the program as well as linking to local governments, the EPA's brownfields web site, and to other federal agencies involved in the partnering of the redevelopment of brownfields. The DEP's brownfields web address is:

<http://www.dep.state.fl.us/dwm/programs/brownfields>

Statewide Annual Brownfields Conference

In keeping with the responsibilities of public outreach, education, and community involvement, the City of Clearwater hosted the first annual Brownfields Conference in November of 1997. The City of Jacksonville and the Jacksonville Brownfields Task Force Coalition built on Clearwater's initial conference and hosted the second conference in May 1999. Both conferences were successful in providing a

forum and opportunities for local governments, community leaders, residents and businesses, developers, lenders, state agencies and others to discuss and share in the lessons learned in implementing the Act.

The Third Annual Brownfields Conference is scheduled for June 7 and 8, 2000. The title of next year's conference is “Working in the Fields: The Business of Growing Redevelopment in Florida”. Currently, the South Florida Regional Planning Council, the Miami-Dade County Empowerment Zone Trust and the Greater Miami Chamber of Commerce will be co-hosting along with the Miami-Dade County Brownfields Task Force and its Oversight Committee.

Center for Brownfields Rehabilitation Assistance at the University of South Florida

Members of the Center for Brownfields Rehabilitation Assistance (“Center”) at the University of South Florida were asked to take part in an effort to develop an Environmental Justice Action Plan for the Clearwater Brownfields Redevelopment area in the fall of 1998. The Center soon joined other collaborators from the Florida Agricultural & Mechanical University, the city of Clearwater Office of Economic Development, and the International City/County Managers Association. Together, the group formed a planning action team whose purpose was to solicit input from all the affected parties and to develop a document, which would reflect the needs and expectations of these parties as future development plans for the brownfields area are undertaken.

Beginning in the spring of 1999, members of the planning action team set out to request input for the plan from the local area residents, particularly those living in the Greenwood neighborhood, as well as members of the various departments within the city's government offices. After a series of forums, meetings and a survey, the team was able to gather sufficient information to aid the Center in the formulation of a document representative of the needs of all parties involved.

As a result, a draft of the plan was finalized and submitted to the Brownfields Advisory Board on November 24, 1999. The plan delineates the process and actions required by both parties, the various departments and agencies within the city and the residents of the

area, in order to make the redevelopment of the brownfields area beneficial and fair to all.

Currently, the members of Clearwater's Brownfields Advisory Board are in the process of reviewing the plan before its subsequent submission to the members of the city's commission in January of 2000. The next steps include an implementation phase of the plan in which stakeholders will come together and devise ways to best adopt the actions suggested by the planning action team and the development of policies, which will ensure their even usage across the board.

FEDERAL BROWNFIELDS ECONOMIC REDEVELOPMENT INITIATIVE

Brownfields Assessment and Demonstration Pilots

Over the past three years, sixteen (16) communities within Florida have received EPA designations as national or regional Brownfields Assessment and Demonstration Pilots (Pilots). The Pilots, each funded at up to \$200,000 over two years, will test redevelopment models, direct special efforts toward removing regulatory barriers without sacrificing protection, and facilitate coordinated site assessment, environmental cleanup and redevelopment efforts at the federal, state, and local levels. **(See Table III, EPA Brownfields Assessment and Demonstration Pilots.)**

Brownfields Showcase Communities

Sixteen (16) communities around the nation were selected as Brownfields Showcase Communities. In EPA-Region 4, Eastward Ho!, which encompasses the eastern portions of Palm Beach, Broward and Miami-Dade Counties, was selected to receive this distinguished designation. A federal employee was assigned to assist with the coordination of technical and financial support from the participating federal agencies. Agencies and programs participating vary for each Showcase Community depending upon the particular community's needs and plans. For example, an urban community might be served by different programs and resources than a more rural community. Financial assistance, grants and cooperative agreements from agency programs

participating are subject to the requirements of those programs.

Targeted Brownfields Site Assessment Projects

In 1999, under a Cooperative Agreement with the EPA, the DEP has been conducting Targeted Brownfields Site Assessments for local governments at properties with known or suspected contamination. The Targeted Brownfields Site Assessment funding of up to \$50,000 was awarded to each selected local government. The purpose of the Targeted Brownfield Site Assessments is to assist state and local governments and tribes, especially those without EPA Brownfields Assessment Demonstration Pilots, in reducing the uncertainties associated with contamination at brownfields. **(See Table IV, Brownfields Funding -- State and Federal Programs.)**

Brownfields Job Training and Development Demonstration Pilots

The Brownfields Job Training and Development Demonstration Pilots also provide federal funding for brownfield projects within communities. The job training and development pilots provide up to \$200,000 over two years. Two cities in Florida have received this designation. The EPA selected Career Options of Pinellas, Inc. for a Brownfields Job Training and Development Demonstration Pilot in the amount of \$141,364. Career Options of Pinellas plans to concentrate its workforce development efforts in the City of Clearwater, which is also a Brownfields Assessment and Demonstration Pilot. The EPA also selected Miami-Dade Community College for a Brownfields Job Training and Development Demonstration Pilot in the amount of \$200,000. Miami-Dade Community College will concentrate its workforce development efforts in the City of Miami and Dade County, both of which are Brownfields Assessment and Demonstration Pilots. The job training and development pilot will target Miami's distressed Wynwood and Model City neighborhoods.

The pilots will bring together community groups, job training organizations, educators, labor groups, investors, lenders, developers, and other affected parties to address the issue of providing environmental employment and training for residents in communities affected by brownfields. The goals of the job training and

development pilots are to facilitate cleanup of brownfields sites contaminated with hazardous substances and prepare trainees for employment in the environmental field, including training in alternative or innovative treatment technologies.

Brownfields Economic Development Initiative (BEDI) Grant

Two communities in Florida, Miami-Dade County and the City of St. Petersburg, are using the Department of Housing and Urban Development's BEDI to redevelop and leverage private sector investment in community revitalization projects. These grants will leverage millions in economic development loan guarantees and in private and public investment to return brownfields back to productive use. Community Development Block Grant entitlement communities and non-entitlement communities are eligible to receive loan guarantees.

Brownfields Cleanup Revolving Loan Fund Demonstration Pilots

The EPA Brownfields Cleanup Revolving Loan Fund Demonstration Pilot program is designed to enable eligible states, counties, cities, towns, U.S. territories, and tribes to capitalize revolving loan funds that will be used to safely clean up brownfields in order to facilitate their sustainable reuse. The EPA provides financial assistance to an eligible entity (e.g., a municipality) to establish its own

revolving loan fund that will be used to make loans for authorized purposes (i.e., brownfields cleanups). A revolving loan fund charges interest on the loans, generally at a low interest rate. This fund is termed revolving because it uses loan repayments to make new loans for the same authorized purposes. The City of St. Petersburg was the first to receive funding from EPA for a revolving loan fund in 1997. Three additional Florida pilots were awarded funding in fiscal year 1999. The City of Jacksonville, Escambia and Miami-Dade Counties all received funding for a revolving loan fund.

ADDITIONAL INFORMATION

For information regarding this report contact Mr. Roger B. Register, Brownfields Liaison, Bureau of Waste Cleanup, Department of Environmental Protection, at (850) 488-0190.

For information regarding the Voluntary Cleanup Tax Credit contact Ms. Lisa Duchene, Bureau of Waste Cleanup, Department of Environmental Protection, at (850) 488-0190.

For information on the aspects of the brownfields program related to grants and economic incentives administered by OTTED contact Ms. Mary Helen Blakeslee at (850) 922-8742.

Table I

Designated Brownfield Areas



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Designated Brownfield Areas

<i>Area ID</i>	<i>Area Name</i>	<i>City</i>	<i>County</i>	<i>DEP District</i>	<i>Resolution Date</i>	<i>Acreage</i>
BF529701000	Clearwater Area	Clearwater	Pinellas	Southwest	10/17/1997	1100
BF139801000	Miami Area	Miami	Miami-Dade	Southeast	03/10/1998	3932
BF429801000	Ocala Area #1	Ocala	Marion	Central	03/24/1998	329
BF139901000	Opa-Locka Area	Opa-Locka	Miami-Dade	Southeast	02/24/1999	1286
BF369901000	Ft Myers Coal Gasification Area	Ft. Myers	Lee	South	04/19/1999	7
BF209901000	Quincy Area	Quincy	Gadsden	Northwest	04/27/1999	4890
BF429901000	Ocala Area #2 (N Magnolia Ave)	Ocala	Marion	Central	05/11/1999	1
BF489901000	Orlando-Sunterra Area	Orlando	Orange	Central	05/24/1999	14
BF429902000	Ocala Area #3 (NW 10th Street)	Ocala	Marion	Central	06/08/1999	1
BF139912000	South Dade Area		Miami-Dade	Southeast	07/13/1999	6081
BF139907000	Sweetwater B Area		Miami-Dade	Southeast	07/13/1999	194
BF139902000	Carol City Area		Miami-Dade	Southeast	07/13/1999	4098
BF139903000	Dade-Opa-Locka Area		Miami-Dade	Southeast	07/13/1999	3687
BF139904000	Model City\Brownsville Area		Miami-Dade	Southeast	07/13/1999	9308
BF139905000	Central Miami Area		Miami-Dade	Southeast	07/13/1999	4321

<i>Area ID</i>	<i>Area Name</i>	<i>City</i>	<i>County</i>	<i>DEP District</i>	<i>Resolution Date</i>	<i>Acreage</i>
BF139906000	Sweetwater A Area		Miami-Dade	Southeast	07/13/1999	454
BF139908000	Sweetwater C Area		Miami-Dade	Southeast	07/13/1999	648
BF139909000	South Miami Area		Miami-Dade	Southeast	07/13/1999	72
BF139911000	Perrine Area		Miami-Dade	Southeast	07/13/1999	4271
BF139913000	Redlands\Leasure City Area		Miami-Dade	Southeast	07/13/1999	4862
BF139910000	Richmond Heights Area		Miami-Dade	Southeast	07/13/1999	642
BF179901000	Palafox Corridor Redevelopment Area	Pensacola	Escambia	Northwest	09/16/1999	598
BF529901000	St. Petersburg Area	St. Petersburg	Pinellas	Southwest	10/21/1999	122
BF429903000	Ocala Area #4 (NE 14th Street)	Ocala	Marion	Central	11/09/1999	2
BF069901000	Pompano Beach Northwest Area	Pompano Beach	Broward	Southeast	11/23/1999	3084
<i>Total Approximate Acreage:</i>						54004

Table II

Brownfield Sites with Executed Brownfield Site Rehabilitation Agreements



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Brownfield Sites with Executed Brownfield Site Rehabilitation Agreements

<i>Area ID</i>	<i>Site ID</i>	<i>Site Name</i>	<i>City</i>	<i>County</i>	<i>"NFA" \ SRCO Issued</i>	<i>Acreage</i>
BF489901000	BF489901001	Sunterra Site	Orlando	Orange	11/05/1999	14
BF139801000	BF139801001	Wynwood Site	Miami	Miami-Dade		3
<i>Total Approximate Acreage:</i>						17

Table III

EPA Assessment and Demonstration Pilots



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EPA Brownfield Assessment and Demonstration Pilots

<i>Pilot Name</i>	<i>Point-of-Contact</i>	<i>Phone Number</i>
Clearwater	Miles Ballogg	(727) 562-4023
Eastward Ho!	Terry Manning	(954) 985-4416
Escambia County	Keith Wilkens	(850) 595-3496
Ft. Lauderdale	Philip Bacon	(954) 468-1535
Ft. Myers	Ryan Windle	(941) 332-6313
Gainesville	Matthew Dube	(352) 334-5029
Hillsborough County	Daniel Blood	(813) 276-8465
Jacksonville	Coen Purvis	(904) 630-2333
Miami	Bob Schwarzreich	(305) 416-1435
Miami-Dade County	Margaret Silva	(305) 372-6829
Ocala	Wendy Turi	(352) 629-8359
Sarasota	Greg Horwedel	(941) 954-2612
Seminole Tribe of Florida	Craig Tepper	(954) 966-6300

<i>Pilot Name</i>	<i>Point-of-Contact</i>	<i>Phone Number</i>
St. Petersburg	Charles Ray	(813) 893-7100
Tallahassee	Craig Diamond	(850) 562-8621
Tampa (Brownfield Targeted Area)	Michael Salmon	(813) 274-8771

Table IV

Brownfields Funding -- State and Federal Programs



Brownfields Program

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Brownfields Funding State and Federal Programs

<i>Program Name</i>	<i>State</i>		<i>Federal</i>						<i>Total Amount</i>
	<i>OTTED Grant</i>	<i>ADP</i>	<i>ShowCase</i>	<i>JTDDP</i>	<i>CRLFDP</i>	<i>TBSAP</i>	<i>BEDI</i>	<i>Other</i>	
Broward County	\$140,000								\$140,000
Clearwater*	\$500,000	\$100,000		\$141,364	\$500,000	\$50,000		\$525,000	\$1,816,364
Eastward Ho!		\$200,000	\$200,000						\$400,000
Escambia County	\$140,000	\$200,000			\$500,000				\$840,000
Ft. Lauderdale		\$200,000							\$200,000
Ft. Myers		\$200,000				\$50,000			\$250,000
Gainesville	\$200,000	\$100,000							\$300,000
Hillsborough County		\$200,000							\$200,000
Jacksonville**	\$200,000	\$200,000			\$500,000	\$50,000		\$300,000	\$1,250,000
Miami	\$500,000	\$100,000		\$200,000					\$800,000
Miami-Dade County**	\$200,000	\$200,000				\$50,000	\$1,750,000	\$300,000	\$2,500,000
North Miami Beach						\$50,000			\$50,000
Ocala	\$140,000	\$200,000				\$100,000			\$440,000
Opa-Locka	\$140,000					\$50,000			\$190,000
Sarasota		\$200,000				\$50,000			\$250,000
Seminole Tribe of Florida***		\$200,000							\$200,000
St. Petersburg	\$500,000	\$200,000			\$350,000		\$1,000,000		\$2,050,000
Tallahassee	\$200,000	\$191,000							\$391,000
Tampa (Brownfield Targeted Area)		\$200,000				\$50,000			\$250,000
Wellspring Foods (Quincy Area)						\$50,000			\$50,000
Total Amount:	\$2,860,000	\$2,891,000	\$200,000	\$341,364	\$1,850,000	\$550,000	\$2,750,000	\$1,125,000	\$12,567,364

<i>Program Name</i>	<i>State</i>				<i>Federal</i>				<i>Total Amount</i>
	<i>OTTED Grant</i>	<i>ADP</i>	<i>ShowCase</i>	<i>JTDDP</i>	<i>CRLFDP</i>	<i>TBSAP</i>	<i>BEDI</i>	<i>Other</i>	
<i>ADP--Assessment and Demonstration Pilot</i>					<i>* 1998 Section 5, Specific Appropriation, 1395A Special Category</i>				
<i>ShowCase--ShowCase Community</i>					<i>** 1998 Section 6, Specific Appropriation, 1727 Lump Sum (OTTED)</i>				
<i>JTDDP--Job Training and Development Demonstration Pilot</i>					<i>*** \$200,000 funding set aside in an Interagency Agreement between EPA and the U.S. Army Corp of Engineers to perform brownfield related activities.</i>				
<i>CRLFDP--Cleanup Revolving Loan Fund and Demonstration Pilot</i>									
<i>TBSAP--Targeted Brownfields Site Assessment Projects</i>									
<i>BEDI--Brownfields Economic Development Initiative</i>									