



The Economic Impacts of Brownfield Redevelopment

2019 ALABAMA BROWNFIELDS CONFERENCE

THURSDAY, SEPTEMBER 26, 2019



What is a brownfield?

A brownfield is defined as any real property, the expansion, redevelopment, or reuse of, which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

ADEM's Brownfield Redevelopment Program

- ▶ Phase I and Phase II Assessments
 - ▶ “No cost” for public entities on first-first serve basis
- ▶ Voluntary Cleanup Program (VCP)
 - ▶ Fee-based oversight of assessment and cleanup
 - ▶ Liability protection
- ▶ Brownfield Inventory Survey
 - ▶ Comprehensive community survey to assist with brownfield prioritization
- ▶ Brownfield Visioning
 - ▶ Allows for community input in the rebirth of their community
- ▶ Brownfield Cleanup Revolving Loan Fund
 - ▶ Low interest loans for local governments/non-profits

Brownfield Facts

- ▶ More than 450,000 brownfields in the United States
- ▶ 600 sites have been identified in Alabama from 2001-2019
- ▶ 400 sites have been returned to productive use
 - ▶ 5,403 acres returned to productive use
- ▶ 81 brownfield sites currently actively enrolled
 - ▶ 7,328 acres currently actively enrolled

The benefits behind brownfields redevelopment in your community include the following:

- ▶ Environmental Improvement**
- ▶ Increase in Property Values**
- ▶ Larger Tax Base**
- ▶ More Jobs**

Environmental Improvement

- ▶ **Blight Removal**
- ▶ **Healthier Community**
- ▶ **Productive land use**
- ▶ **Utilizing existing infrastructure is more efficient and saves greenfields**

Increase in Property Values

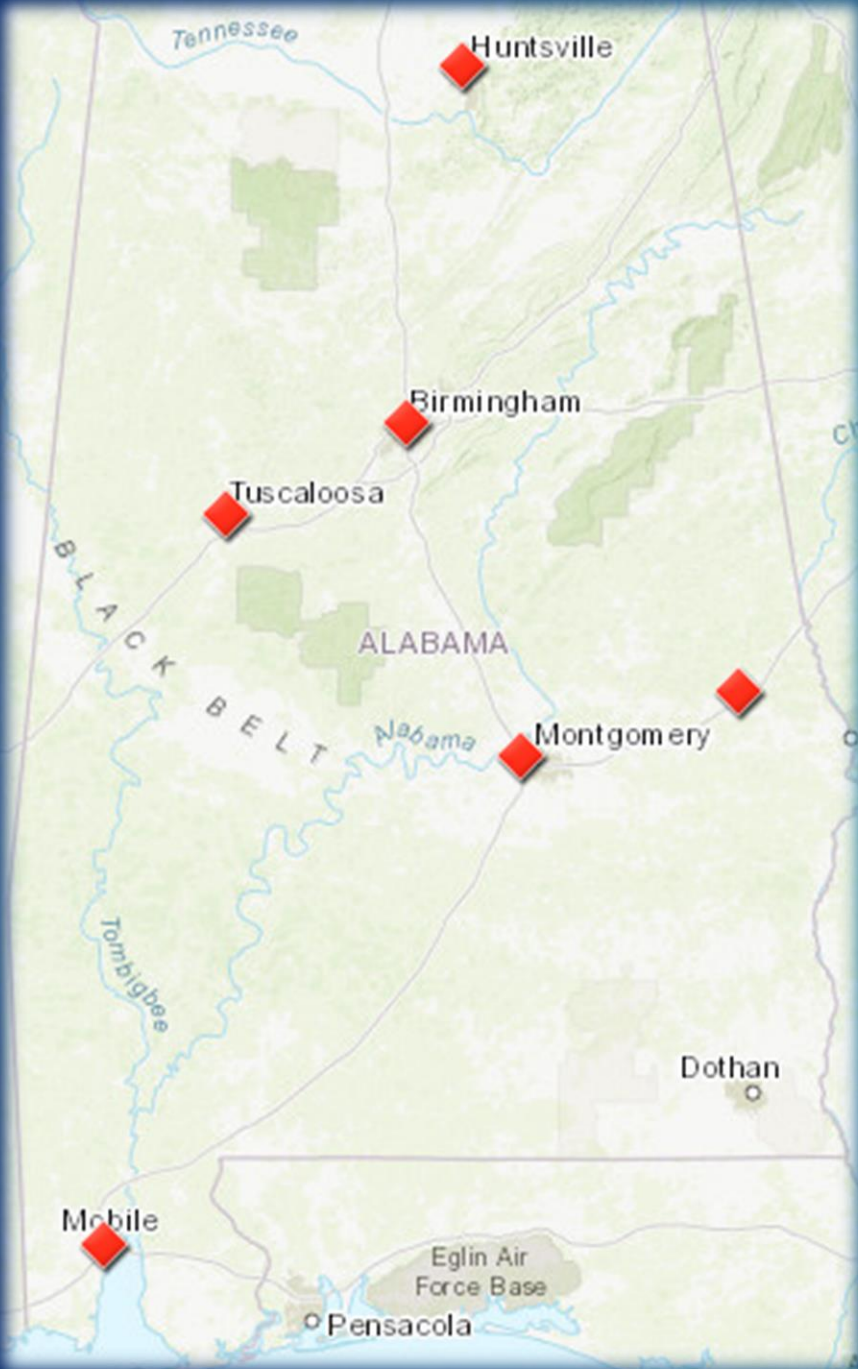
- ▶ An abandoned blighted/contaminated site transformed into something useful increases value of property and surrounding properties.
- ▶ Growth triggers growth

Larger Tax Base

- ▶ Increased property values equate to higher tax revenues
- ▶ Improves infrastructure
- ▶ Improves education
- ▶ Improves social benefits for communities

More Jobs

- ▶ Correlation between brownfields and joblessness
- ▶ Redeveloping brownfields creates jobs in areas that need them most.



ALABAMA BROWNFIELD SUCCESS STORIES.....

REBUILDING ALABAMA BRICK BY BRICK

ADEM
Brownfields



Where it all began...

The 1st VCP Applicant

ADEM News

Alabama Department of Environmental Management
For Immediate Release
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AUGUST 21, 2001

TUSCALOOSA PROPERTY IS THE FIRST PROJECT OF THE ALABAMA LAND RECYCLING AND ECONOMIC REDEVELOPMENT ACT

A new office building in Tuscaloosa will be the first project undertaken as part of the Alabama Land Recycling and Economic Redevelopment Act, passed by the Legislature earlier this year, according to the Alabama Department of Environmental Management (ADEM). The act encourages the redevelopment of former industrial sites by limiting liability to property owners who voluntarily address any conditions that may present a threat to human health and the environment.

ADEM and Renaissance Development L.L.C. have signed an agreement which will facilitate Renaissance's redevelopment of a former steel warehouse location and adjacent property located at 22nd Avenue and 4th Street in Tuscaloosa.

As part of the agreement, the company will investigate potential environmental problems at the site, create a plan to clean up or lessen the impact of those problems, carry out and complete the plan thereby allowing for commercial development of the property.

"This act provides a legal mechanism to encourage cleanup of properties which may not otherwise be addressed," said ADEM Director Jim Warr. "The program will encourage re-use of sites with existing infrastructure such as utilities and roads instead of continued development of greenfield properties. This helps conserve undeveloped land while fostering reuse of dormant industrial sites."

The act also charges ADEM with the responsibility of reviewing all cleanup plans and activities to ensure they meet or exceed requirements of environmental regulations and guidelines.

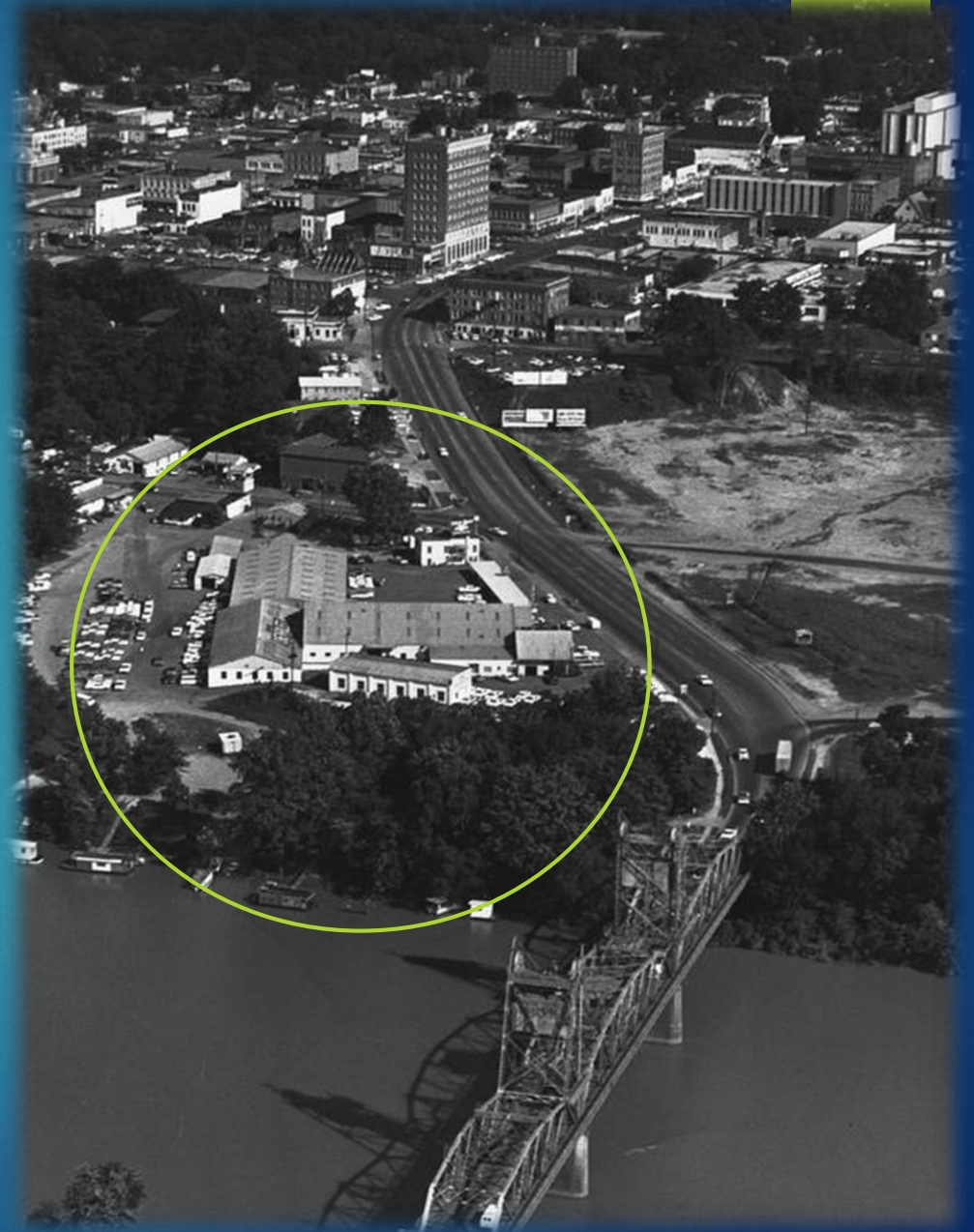
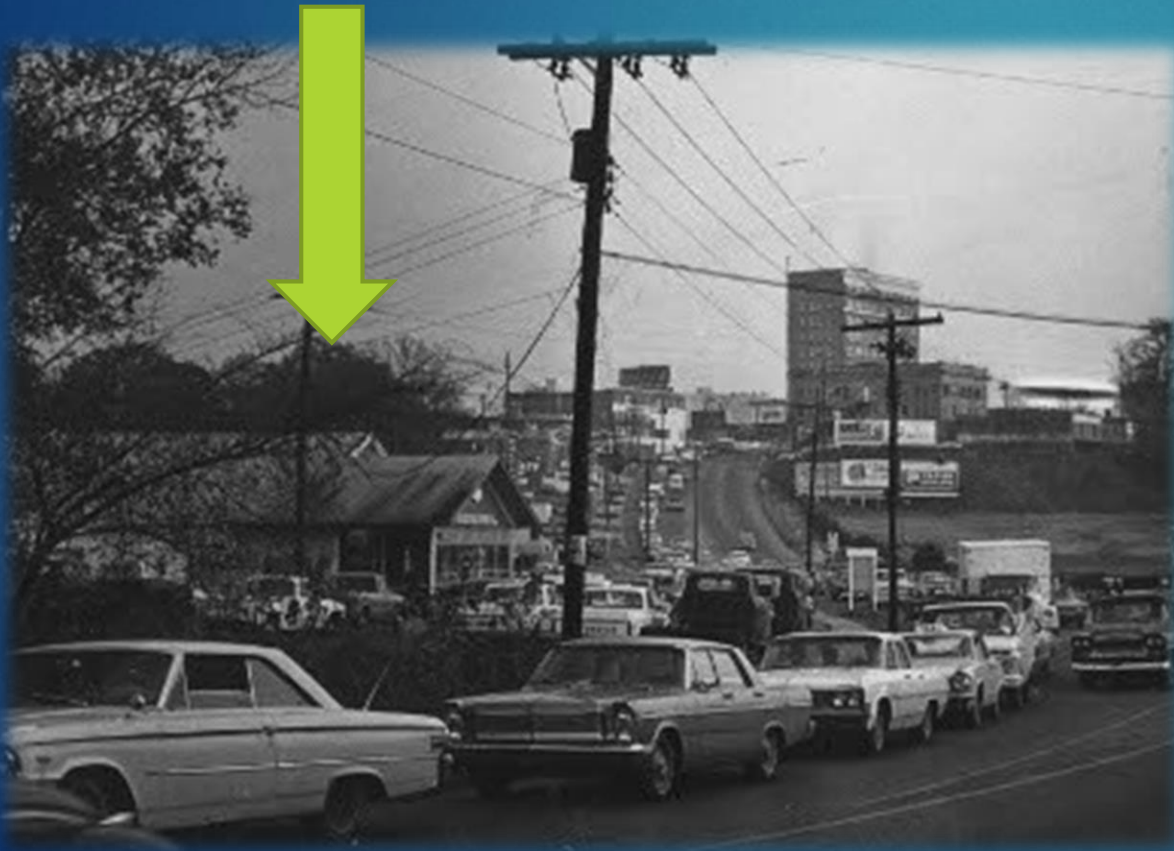
"We are proud to be a part of the rejuvenation of downtown Tuscaloosa with this project," said Managing Partner Richard Ellis of Renaissance Development. "We plan to investigate and resolve any environmental issues and then begin construction to finish, hopefully, in 2002." "We are already working with potential corporate tenants for this

Tuscaloosa Federal Courthouse with Plaza

- \$47.8 Million
- 127,000 sq ft
- Part of the U.S. General Services Administration's Design Excellence Program



Former Tuscaloosa Chevrolet





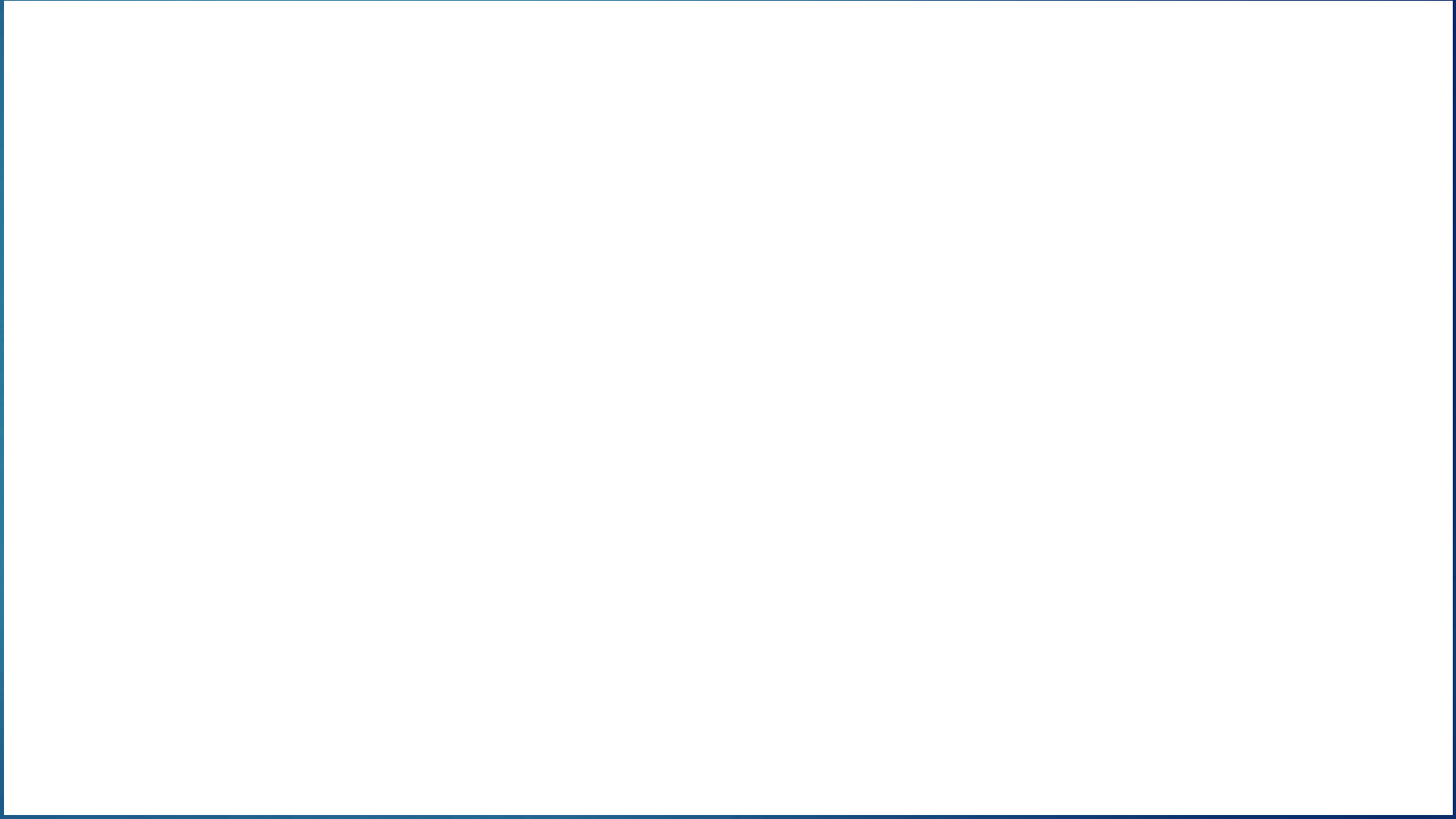
- Energy efficient engineering
- Upscale boutique
- 101 Rooms



- Mixed-Use Community
- \$25 million to build



- 8,400 people
- \$14.9 million to build
- \$3.5 million in sales the first year
- 172K profit for Tuscaloosa that first year



GIS Inspector

Alabama Department of Environmental Management

Streets Imagery

Click a county to return Brownfields sites.
Click USGS Topo to see Imagery.

Residential

Regions Field

Mixed Use/Commercial

Revitalization in Downtown Birmingham





Regions Field –Built in 2012

- Size: Four City Blocks
- Zoning: Light Industrial & Commercial
- Historically known for its ugly, dilapidated warehouses
- Adjacent to Railroad Park
- Situated Between UAB and Commercial Business District (CBD)

ADEM VCP Program Applicant
2011-2014



**Project Costs
\$60 million**

**VCP Program
Costs-\$28,295**



Former Birmingham Electric Battery Company

Renovation= \$1 million
VCP Costs=\$29,280



THE BATTERY

- Restaurants
- Event Space
- Pedal Tours
- Retail Space



the **MAGIC** of **20** MIDTOWN



- Former Firestone Tire & Service
- VCP Program 2003-2005
- Spans Three City Blocks
- Over 300 Apartments
- Publix Grocery-1st for downtown
- Project Costs-\$100 Million +





- Currently Under Construction
- 59 urban loft apartments
- 80,000 sq. ft. office and retail space
- VCP Program Costs-\$35,820



D.V.K.D

DENHAM

BLDG

1927

- 
- **The Birmingham Metro Area saw more than \$1 billion in capital investment with more than 4,500 jobs announced in 2018 according to the Birmingham Business Alliance**
 - **Jefferson County businesses announced 3,394 jobs and \$642 million in investments**
 - **136 VCP and Brownfield Sites in Jefferson County**
 - **Birmingham includes 24 Opportunity Zones**



CAPITAL
COOL

Montgomery

- 2001 began the Riverfront Development Brownfields Initiative
- \$26 million stadium investment





- \$250 million civic center tract
- \$30 million rehabilitation project
- \$51 million Meridian at the Port
- \$89 million Federal Courthouse





- Mixed Use Development
- \$100's of millions in this area





Whatley Building

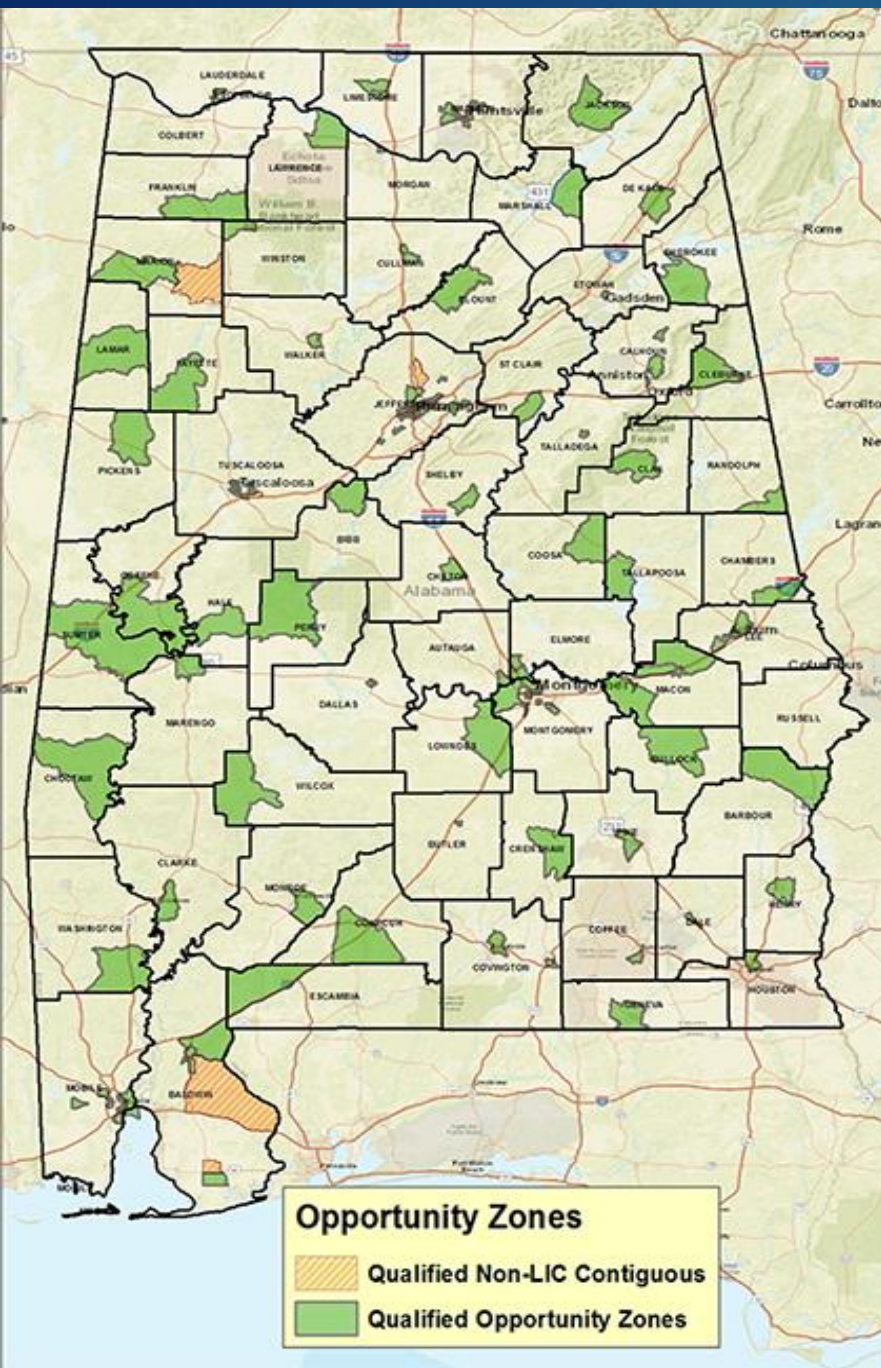
- Luxury Condos
- Retail
- 6 story
- 30,000 square feet
- \$8.2 million project cost
- 0.378 % investment for liability protection



- Former Cleburne County High School
- Repurposed into an Assisted Living and Memory Care Community
- \$13 million project cost



Brownfield News



- Opportunity Zones attract \$100 billion in private investments
- Alabama has 158 zones based on economic and poverty statistics



“Sustainable development is the pathway to the future we want for all. It offers a framework to generate economic growth, achieve social justice, exercise environmental stewardship, and strengthen governance.”

Ban Ki-moon



ADEM
Brownfields

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