

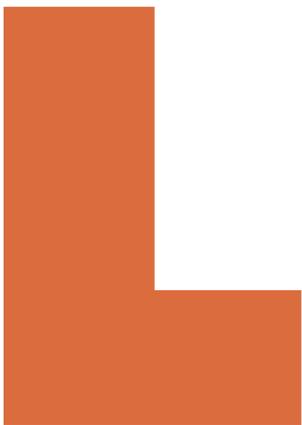


Innovation. *Partnership.* Renewal.



Annual Report 2000

Pennsylvania's *Recycling* Program
Land





*Pennsylvania State Capitol
Harrisburg, Pennsylvania*



Tom Ridge
Governor

Land Recycling and Growing Smarter

One of the most critical issues facing Pennsylvania in the 21st century is how we use our land. Pennsylvania no longer will watch as our farmland and open space disappears, but will work aggressively to encourage growth that protects these resources, and reuses land in our cities and towns.

Pennsylvania's Land Recycling Program, by encouraging the reuse of existing land, is a tremendous tool in our new Growing Smarter toolbox. Through this nationally recognized, innovative cleanup program, there now are more than 20,000 Pennsylvanians working on nearly 700 old industrial sites — sites that just a few years ago were run down and abandoned. As a result, redevelopment authorities, communities and businesses across the Commonwealth are viewing abandoned industrial and business sites with a new sense of hope.

The Land Recycling Program, together with the new Growing Smarter tools available to local government, and the historic commitment of nearly \$650 million over five years through "Growing Greener," has given Pennsylvania 21st century solutions to 20th century problems.

I want to commend the communities and businesses taking advantage of these new opportunities.

A handwritten signature in blue ink that reads "Tom Ridge". The signature is written in a cursive, flowing style.



*McGees Mills
Clearfield County*



James M. Seif
Secretary

Pennsylvania — Setting a National Standard

The Pennsylvania Department of Environmental Protection (DEP) is proud to present this report about Pennsylvania's Land Recycling Program. The Land Recycling Program has led the way during the past five years in reclaiming Pennsylvania's industrial heritage and setting a national standard for other states to follow into the 21st century.

Five years ago, Pennsylvania's urban landscape was littered with hundreds of abandoned and underutilized industrial sites. Complicated federal remedies offered no solution to communities stricken with the burden of blighted areas, the former drivers of their tax base and economic fortune.

The common-sense approach of Pennsylvania's Land Recycling Program changed the landscape, bringing vibrancy and renewal to cities, towns and villages across the Commonwealth. Since the program's inception in 1995, 697 sites have been cleaned up and returned to productive use. These sites now employ more than 20,000 Pennsylvanians. And, the Land Recycling Program progresses toward new milestones.

The program's fifth year — July 1999 through June 2000 — represents a watermark for environmental progress in Pennsylvania, not just in land recycling, but in many other ways as well. Most notably, Gov. Ridge signed into law the largest environmental restoration program in Pennsylvania's history. As the Land Recycling Program has allowed us to reclaim our industrial heritage, the landmark "Growing Greener" legislation will help concerned Pennsylvanians across the state restore the splendor of Penn's Woods through funding for community planning, abandoned mine land reclamation, watershed restoration and targeted infrastructure. In concert, the Land Recycling Program and "Growing Greener" offer Pennsylvanians the tools to achieve smart growth in the information-age economy.

As we mark this anniversary of the Land Recycling Program, I encourage you to take note of the progress Pennsylvania has made. As DEP Secretary, I assure you that we will not rest on our successes, but continue to strive to be a national leader in all we do.

In the pages that follow, you will read the success stories of many of these projects and how they have energized communities and helped to return Pennsylvania to its place as a leader among states and a competitor among nations. You also will learn how DEP plans to sustain and enhance these successes through such new initiatives as the launching of a financial intermediary for brownfields development.

By embracing innovative technology, building new partnerships and expanding land renewal with our fellow Pennsylvanians, I am confident the Commonwealth will continue leading the way in environmental progress.

A handwritten signature in green ink, appearing to read "J. Seif". The signature is fluid and cursive, written on a light-colored background.



*Philadelphia skyline overlooks
the Schuylkill River*

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Pennsylvania's Land Recycling Program

A Look Back on Five Years of Cleanup Success

Today's Pennsylvania is a much different place than it was, May 19, 1995, the day Gov. Tom Ridge signed into law Acts 2, 3 and 4, establishing Pennsylvania's Land Recycling Program, administered through the Department of Environmental Protection (DEP). These Acts ushered in a new era of economic and environmental progress in Pennsylvania. Leading the way in land recycling innovation and progress, Pennsylvania's Land Recycling Program matches the needs of today's high-tech, consumer- and service-driven economy with the promise of environmental renewal.

As Gov. Tom Ridge noted at the signing, the voluntary nature of the Land Recycling Program is "simply a case of government making sense." This common sense approach to government, coupling liability relief with the unique vision of Pennsylvania's communities, creates progress, partnership and innovation where there once stood stagnant and abandoned industrial sites. Acts 2, 3 and 4, set the stage for these successes, but the hard work and dedication of thousands of Pennsylvanians make land renewal and economic development a reality.

A look at a few of these stories demonstrates how the Land Recycling Program has influenced the lives of many Commonwealth citizens, from the eastern bank of the Delaware River to the shores of Lake Erie, from the Pocono Mountains in Northeastern Pennsylvania, to the Mon Valley and back. Pennsylvania's Land Recycling Program has paved the way for 66 of Pennsylvania's 67 counties to remediate contaminated land.

First Site Enters Land Recycling Program

The first site remediated under the Land Recycling Program was the Delta Truck site in Perry Township, Berks County. The Delta Truck site historically housed businesses engaged in fabricating and painting auto truck bodies, operating from 1959 until 1993. Keystone Environmental Services, Inc., as a potential buyer, assessed and cleaned up the property. Keystone disposed 666 tons of discarded clothing, 2,375 gallons of waste oil, 95 tons of contaminated soil and debris, 42 drums of hazardous waste and two 4,000-gallon underground storage tanks. Subsequently, the site

The Land Recycling Program matches the needs of today's high-tech, consumer- and service-driven economy with the promise of environmental renewal.

became the first in Pennsylvania to qualify as a Special Industrial Area under the Land Recycling and Environmental Remediation Standards Act (Act 2), in October 1995. Keystone Environmental Services, Inc., maintains an active business on the property thanks, in part, to the Land Recycling Program.

This first site led the way for other abandoned industrial sites to take advantage of the Land Recycling Program's innovative and multi-beneficial approach to site cleanup, and community and business development.

Land Recycling Reaches Impressive Milestones

Within two years of its inception, the Land Recycling Program achieved a significant milestone...100 sites approved. DEP Secretary James M. Seif, speaking to the Environmental Quality Board in June 1997, announced, "Under the leadership of Gov. Tom Ridge, Pennsylvania's Land Recycling Program has become the national model for turning idle, abandoned, contaminated sites into thriving industrial property. These sites are generating good paying jobs while preserving the state's valuable open space."

By 1997, 100 sites were returned to prosperous community use, and the Land Recycling Program had achieved a two-year track record that validated its success. The program was rolling full steam ahead.

About this same time, land use experts and policy makers across the country were beginning to take notice of how land recycling was being done. Pennsylvania had figured out how to assemble a voluntary cleanup program that made sense and worked. The Commonwealth emerged as a leader in industrial property reuse and received national recognition for its achievements:

- The Council of State Governments (COG) selected the Land Recycling Program as its 1997 Innovations Award winner;
- The American Legislative Exchange Council adopted the program as the national model for industrial site recycling; and
- The Ford Foundation honored the program with its Award for "Top Ten Innovations in Government."

"Pennsylvania's Land Recycling Program has become the national model for turning idle, abandoned, contaminated sites into thriving industrial property. These sites are generating good paying jobs while preserving the state's valuable open space." — DEP Secretary James M. Seif

At a Washington, D.C., awards dinner hosted by the Ford Foundation and the John F. Kennedy School of Government at Harvard University, Pennsylvania's Land Recycling Program was praised as a national model for brownfields redevelopment. "We are pleased to recognize this important program that shows how government can reinvigorate abandoned urban areas by cleaning the environment and promoting business opportunities — while preserving its farms and undeveloped lands," Michael Lipsky of the Ford Foundation said.

Also in 1997, participants in Pennsylvania's Land Recycling Program received honors from The Phoenix Awards, a national awards program for brownfield excellence, created that same year. The awards honor individuals and groups that have implemented innovative, yet practical, programs for brownfields remediation. The awards place emphasis on the magnitude of the problems addressed by the projects, the use of innovative techniques, the cooperative efforts of multiple parties to undertake projects (including innovative financing solutions), and the projects' general and economic impacts on the community.

The Industrial Plaza of York, York County, was selected as the 1997 Phoenix Award grand prize winner for the private sector. The former York Manufacturing Company site was a typical inner city American factory — a jumble of buildings crammed into a six-acre city block next to the rail-corridor that supported the area when the 20th century began. The factory employed 2,500 people, until the site was abandoned in 1958. It was vacant for 35 years, and became an eyesore — a blighted area that attracted vagrants and crime while it threatened to collapse.

The York County Industrial Development Corporation and the City of York joined forces to revitalize abandoned industrial properties and return them to productive use. Buchart-Horn/BASCO Associates was commissioned to provide architectural and engineering design services for renovating the site, and transforming the area into a progressive commercial complex, which included the William C. Goodridge Business Resource Center.

Buchart-Horn/BASCO is the largest tenant at the complex, and the Resource Center is a new business incubator for minority- and women-owned business. The \$15.6 million project created about 500 jobs with an annual payroll of \$12.1 million. Reuse of the site generates an estimated \$34.6 million benefit to the York region.

Again, in 1998, Land Recycling Program efforts were recognized, with the Ingersoll-Rand Redevelopment Project in Charleroi, Washington County, winning the Phoenix Award for the public sector.

Ingersoll-Rand, a mining machinery repair business, closed its doors in 1988. The four-acre site was contaminated by toxic materials and surrounded by a dense residential community suffering from significant unemployment and poverty. The Washington County Redevelopment Authority collaborated with Ingersoll-Rand; environmental regulatory agencies; town municipalities; and county, state and federal government to acquire, remediate and renovate the site. The site now houses Tri-State Hydraulics, Inc., and Jaycee Foods, Inc.

Using funding from a variety of public and private sources, the Redevelopment Authority invested \$1.6 million to revitalize the site. An environmental

cleanup action was conducted under the auspices of DEP. Unusable buildings were demolished, an existing manufacturing building was renovated and a new facility was constructed at the site. The new facility occupants, Tri-State Hydraulics and Jaycee Foods, employed 59 residents with an expectation of increasing employment to 102 within the next three years.

The Land Recycling Program was making history with its national recognition as a model for land remediation and community development, and was reaching cleanup milestones along the way. In two years, an additional 400 sites were remediated under the program standards. In July 1999, Gov. Tom Ridge was proud to announce, “We now have cleaned up 500 sites. More than 15,000 Pennsylvanians now are employed at these formerly abandoned properties.”

Land Recycling Program Moves into the Future

As the Land Recycling Program approached the new millennium, its cleanup success kept Pennsylvania in the forefront of the national brownfields remediation scene.

“Pennsylvania’s Land Recycling Program is a symbol of government at its best,” National Brownfield Association Executive Director Robert V. Colangelo said. “The program proves you can do what is environmentally sound while ensuring smart economic growth. Their program has inspired other states to pursue voluntary cleanup programs. I am often asked about state programs that exemplify innovation and leadership. Pennsylvania is always the state I point to for an example of ‘how to do it right,’” he said.

In 1999, Pennsylvania was recognized for its innovative land redevelopment work prior to the formalization of state-wide efforts to bring uniformity to brownfields cleanup, and for its strategic partnerships that helped revitalize communities through land recycling.

“I am often asked about state programs that exemplify innovation and leadership — Pennsylvania is always the state I point to for an example of ‘how to do it right.’”

— National Brownfield Association Executive Director Robert V. Colangelo



The Pittsburgh Technology Center, in Allegheny County, was recognized as the 1999 Phoenix Award winner under the magnitude of the project category. The first uses of the site included a copper smelter, iron and bronze metal working facility, saw mill, coal production site and other functions. Eventually, the site was purchased by a major steel company, which constructed and integrated a steel plant. Remediation work included the removal of ferrous cyanide, tar pits, 420,000 gallons of oil water and 2,000 gallons of waste oil. The investment in the project and community is estimated at \$122 million.

The redevelopment of this 150-year old industrial site represents the first steps in the transformation of the region's economy from manufacturing to high technology. The project was instrumental in helping establish risk-based remediation standards and redevelopment methods prior to the advent of Pennsylvania's Land Recycling Program. The project also signified one of the first uses of Pennsylvania's Tax Increment Financing Act. The site is home to eight new high technology buildings and employs more than 1,000 people.

"We are proud that these projects, Pittsburgh Technology Center and Washington's Landing, were chosen as Phoenix Award winners," County Executive of Allegheny County Jim Roddey said. "The award is great recognition for the projects and it garners national attention for Pittsburgh, telling the country that Allegheny County is a leader in smart growth."

The Sovereign Oil Site Redevelopment, in Philadelphia, with its strong collaborative multi-agency partnership, also was recognized as the 1999 Phoenix Award winner under the environmental regulatory issues category. The Sovereign Oil site posed a community and environmental health threat, in the middle of a once thriving neighborhood. When the site shutdown, leakage and seepage extended onto the streets. Other potentially marketable land remained vacant next to this hazardous site. The neighborhood did not have the resources to tackle the problem by itself, but it did have resources from the Housing and Urban Development agency as a federal empowerment zone. These resources allowed the neighborhood to play a meaningful role as a partner in the redevelopment project.

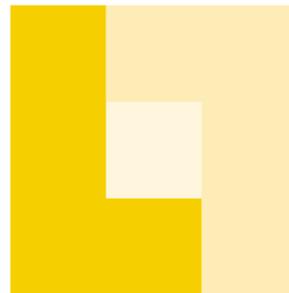
The revitalization was completed by Asia Foods, a local business; the City of Philadelphia's Commerce Department; and an innovative combination of state legislation, mixed financing and proven technology. The project also began a process of renewal for the entire local industrial area by providing a large, visible and successful anchor on the southern end of the corridor. Remediation efforts included the removal of 18,000 gallons of free product and 300 cubic yards of soil. The total investment in the project and neighborhood was \$4.6 million.

Capitalizing on a winning opportunity, Asia Foods, expanded its retail space by 50 percent into a modern facility; 25 new jobs were created; 45 jobs were retained; and the neighborhood received a new, productive facility on its major industrial corridor. Once again, the city was safe from environmental contaminants and free to pursue economic productivity.

Pennsylvania's Land Recycling Program continues to showcase its successful remediation efforts that involve innovation, partnership and land renewal. Now, five years since it all began, the Land Recycling Program has cleaned up 697 sites. More than 20,000 jobs have either been created or retained, and a steady stream of businesses and communities continue to take advantage of the program.

"In Pennsylvania, we're making abandoned sites more attractive, environmentally and economically," Gov. Tom Ridge said. "Our Land Recycling program offers site assessments, uniform cleanup standards, liability relief and financial assistance to help employers redevelop our brownfields. It enables us to return abandoned areas to productive economic use. In return, our greenfields have a better chance of staying green."

*Make history.
Be our 1,000th site.*





A former manufacturing facility in Bangor, Northampton County, is remediated for its new occupant, BRW Realty, Inc. DEP and its state contractors have fostered partnerships with local economic development organizations, local government and private investors to clean up sites like this under Pennsylvania's Land Recycling Program.

Pennsylvania's Land Recycling Program

Overview

Five years ago, Pennsylvania established a national model for overcoming the impediments to brownfield redevelopment. Today, Pennsylvania's Land Recycling Program continues to be a driving force in the transformation of idle sites into productive, economically viable land.

The Land Recycling Program is composed of four cornerstones which break down redevelopment obstacles: uniform cleanup standards, liability relief, standardized reviews and time limits, and financial assistance. Hundreds of voluntary partnerships have formed among businesses, communities and DEP to turn brownfield liabilities into social and economic opportunities. The Land Recycling Program's common sense standards and streamlined process are key to its success. *(See descriptions of the Land Recycling Program's cleanup standards in Year in Review section.)*

The Land Recycling Program encompasses all of DEP's hazardous site response activities. The program is managed through three main organizational units: 1) six regional Environmental Cleanup Program (ECP) field offices, 2) the Land Recycling and Cleanup Program (LRCP) Division (program planning and development unit) and 3) the Remediation Services Division (program support unit). The regional ECP offices are responsible for front-line implementation, focused outreach and site-specific project oversight. Remediation Services and the LRCP divisions are central office entities that develop and evaluate programs, prepare policy and technical guidance, offer technical support, manage contracts, develop multi-site projects, revise regulations, coordinate multi-regional functions and conduct program outreach.

The fifth annual report highlights the achievements of Pennsylvania's Land Recycling Program and its facilitation of partnerships that clean up brownfields. In the next pages, you will learn about DEP's success in educating key audiences about the program, and building new initiatives and financial opportunities for these stakeholders. Regional showcases exemplify collaborative remediation and redevelopment efforts that benefit industry, local communities and the environment. These showcases include: Conshohocken's 5-Tower Bridge project; Muncy's Andritz Inc., site; Bangor's BRW Realty, Inc., site; Lebanon's GEESI site; Farrell's Henry Evens Industrial Park site; and Johnstown's Johnstown Corporation site. The report also covers Land Recycling Program related initiatives including:

- Multi-Site Agreements
- Buyer/Seller Agreements
- Key Sites Initiative
- Hazardous Sites Cleanups
- Storage Tank Cleanups

Read on and learn why, after five successful years, Pennsylvania's Land Recycling Program is providing the country with a model for land use and economic growth.



SHARON TUBE CO.



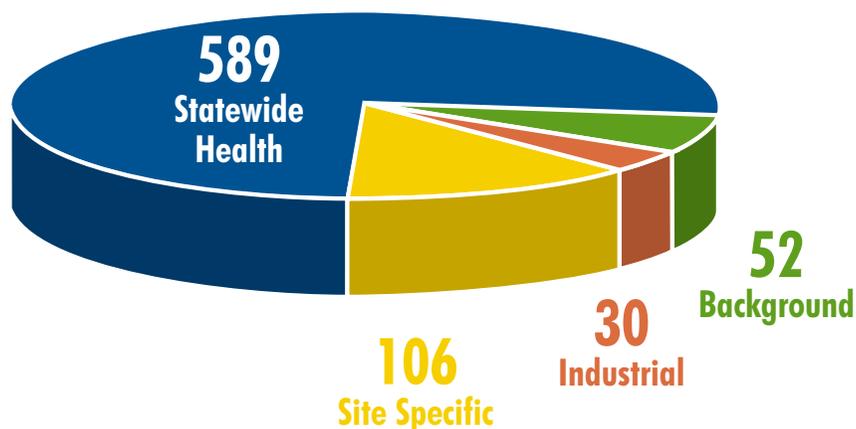
Taking advantage of community collaboration and redevelopment funding, the Sharon Tube Company, Mercer County, expanded locally, instead of relocating in another state. (L to R): Lee Hooper, Sharon Tube; John Fair, SVIDC; Paul O'Brien, O'Brien Construction Co.; Craig Lobins, DEP; John Holliday, SVIDC; and William Perrine, Sharon Tube.

Pennsylvania's Land Recycling Program Year In Review

Cleanup Success

Since the Land Recycling Program's inception, 777 cleanups have taken place on 697 sites, including 213 cleanups during DEP fiscal year July 1999–June 2000. The average site being remediated is about 20 to 50 acres.

Completed Cleanups by Standard



Pennsylvania's Land Recycling Program Standards — Sites must meet one or more of these cleanup standards to receive liability relief:

Background. This standard requires cleanup to naturally occurring or historical concentrations. It often applies to a site where contamination moves onto the site from a nearby property.

Statewide Health. This standard is derived from medium-specific chemical concentrations based upon acceptable cancer and systemic health risks that account for use and non-use groundwater, as well as residential and nonresidential exposure factors at a site.

Site-Specific. This standard allows the remediator to consider exposure and risk factors to establish cleanup levels appropriate for the intended use of the site.

Special Industrial Area. To qualify for this status, a site must either have no responsible owner or be in an enterprise zone. The party conducting the cleanup must not have contributed to the site contamination and must develop a cleanup plan. Cleanup actions must address all immediate, direct or imminent threats, based on the intended use of the site.

Land Recycling Program sites can be remediated using one or a combination of four standards, giving each site as much cleanup flexibility as possible. These four standards include: the background standard, the statewide health standard, the site-specific standard and a special industrial area designation (*see standard descriptions in sidebar at left*). The statewide health standard was applied to 589 cleanups, followed by 106 cleanups under the site-specific standard, 52 cleanups utilized background standard, and special industrial area procedures

were applied to 30 cleanups during July 1995–June 2000. (see Figure 1 for a breakdown of standards used in each region).

For a complete list of Land Recycling Program cleanup listings and site descriptions see Appendix 1 and Appendix 2.

The popularity of the Land Recycling Program also can be seen by the number of notifications of intent to remediate which represent more than 1,000 sites. The program’s redevelopment efforts have been publicly supported through more than \$28 million in grants and loans by Land Recycling Program partners, which have facilitated site assessments and cleanups.

“Pennsylvania’s DEP helped us turn a potential business and environmental liability into a significant asset,” Ex Officio Chairman and CEO of Bethlehem Steel Corporation Curtis “Hank” Barnette said. “The Land Recycling Program opens the door to opportunity.”

Getting the Message Out

DEP is seeking new participants in the Land Recycling Program. Buyers, sellers, developers, local government, community members and lenders are encouraged to create their own success stories. Program marketing, including outreach and customer satisfaction, are important program elements because they encourage program participation, assure compliance with standards and spread the word about Pennsylvania’s innovative remediation approach.

Key outreach activities included: completion and submission of a three-year effectiveness report to the state legislature, completion of market research interviews,

Figure 1 — Completed Cleanups by Region

Region/ Standard	Back- ground	Statewide Health	Site Specific	Industrial	Total
Northeast	4	130	5	1	140
Southeast	20	167	47	5	239
Northcentral	5	31	7	1	44
Southcentral	20	166	25	15	226
Northwest	2	46	3	8	59
Southwest	1	49	19	0	69
Total	52	589	106	30	777

program publication development and distribution, trade and siting journal advertising, speaking engagements and tradeshow participation, and partnerships with like-minded organizations and businesses. DEP also has created tools to aid economic development agencies, consultants, attorneys and others in getting the word out about Land Recycling Program opportunities.

The following pages highlight some of the key DEP outreach activities during the past year. If you would like to learn more about the program, contact us at (717) 787-6264 or at landrecycling@dep.state.pa.us, for program literature, upcoming workshops, and meeting and conference speakers.

Surveys and Program Evaluation

After five years of experience, DEP is taking significant new steps in its role as a business partner at the redevelopment table. A recent market research study and a program evaluation presented DEP with opportunities for program improvement and reinforced program strengths.

Q2 Market Research, located in Yardley, Berks County, conducted in-depth interviews with about 100 buyers, sellers, lawyers, environmental consultants, lenders,

more than
\$28 million
 in grants and loans

by Land Recycling Program partners

insurers and local government representatives about their experiences with the Land Recycling Program. The goal of the research was to better understand the needs of these market segments and to fuel DEP with ideas of how to better reach and support these important groups. The goal was met, but the work has only begun.

DEP is acting on the results of this research by expanding its program outreach and working with allies to spread the word about opportunities afforded by land redevelopment in Pennsylvania. New program materials are under development to educate new participants about land recycling. New tools will ease the process for buyers and sellers alike. DEP learned that many key audiences are uninformed about the myriad financial incentives in place for private and public entities. This annual report serves as an important step in providing target audiences with the resources to transform redevelopment opportunities into realities in Pennsylvania.

Publications and Advertisements

Raising public awareness of the Land Recycling Program, and promoting the environmental and economic benefits of redevelopment are hallmarks of the program. This year, DEP distributed more than 7,000 Land Recycling Program brochures and annual reports to educate new audiences, generate program interest and showcase the proud results of redevelopment projects. The International Association of Business Communicators also received the program's



brochure, *Pennsylvania's Land Recycling Program: A Clear Road to Redevelopment*, and honored the design team with a 1999 Silver Inkwell Award of Merit.

In 1999, advertisements designed to raise awareness of the Land Recycling Program and promote participation were placed in several national magazines and trade journals such as *Area Development*, *Brownfield News*, and *Site Selection*. Ads also appeared in regional business publications such as *Central Pennsylvania Business Journal*, *Philadelphia Business Journal* and *Pittsburgh Business Times*. If you are interested in placing an ad or an article about the Land Recycling Program in your trade industry's publication, please contact Tom Mellott at (717) 783-7816 or at landrecycling@dep.state.pa.us.

Increasing Land Recycling Program Visibility

DEP is interested in increasing the visibility of the Land Recycling Program and its initiatives. We have discussed the program with government leaders from Canada and Scotland, and throughout the United States.

After five years of experience, DEP is taking significant new steps in its role as a business partner at the redevelopment table.

Brownfield programs are gaining in popularity and are springing up from coast to coast. While uniqueness may be built into individual programs, states such as California, Connecticut, Kansas, Massachusetts, Missouri, New York, Ohio, Texas, Utah, Virginia and West Virginia are looking to Pennsylvania's three-bill package as a foundation for their remediation program initiatives or are looking at the new aspects of our program. Puerto Rico and New York City developers and planners also have shown an interest in Pennsylvania's approach to cleanups and redevelopment.

*the Land Recycling Program's
webpage registered more than*

30,000 hits

last year

DEP designed a new website to share information about this innovative program with the world. Information is available through DEP's website, www.dep.state.pa.us (**directLINK** "Land Recycling"), and the program's information request line, (717) 787-6264. Our webpage includes case studies and helpful tools such as our model Buyer/Seller Agreement and Brownfields Directory, a listing of several hundred properties for sale in Pennsylvania. The Land Recycling Program's webpage registered more than 30,000 hits last year.

Workshops and Conferences

Workshops and conferences continue to be a popular way of increasing our visibility and sharing information with small groups of clients including consultants, developers, lawyers, the financial and real estate communities, economic development agencies, business and industry groups, and others. This year DEP will schedule workshops to provide clients with updates on changes in regulations and department

DEP showcased

136 properties

for sale in Pennsylvania

policies. DEP has a number of first-rate speakers who make presentations about these changes and other land recycling topics.

Additionally, in February 2001, DEP will co-host a Mid-Atlantic Deal-Flow Marketplace, along with the National Brownfield Association and the states of New Jersey and New York. The Mid-Atlantic Deal-Flow will bring owners, developers, transaction support and policy players together to provide the venue for a common goal — getting deals done. If you are interested in either the workshops or the marketplace, please contact Tom Mellott at (717) 783-7816 or at landrecycling@dep.state.pa.us for further information.

DEP is committed to national and international outreach that leads to network opportunities and information sharing with large and more diverse audiences. Representing the Land Recycling Program, DEP led, participated in and distributed program information at several national and international conferences. Some of these highlights include:

- **Deal Flow 2000 — Distressed Property Marketplace** — DEP participated in the first national marketplace for property owners, developers, investors, lenders, insurers, brokers and others to showcase brownfield sites with the goal of generating sales and economic development. DEP co-sponsored the event with the National Brownfield Association, an organization of buyers, owners, developers and others focused on brownfield redevelopment.



DEP is committed to national and international outreach that leads to network opportunities and information sharing with large and more diverse audiences.

Instead of displaying only program information, DEP showcased 136 properties for sale in Pennsylvania. These sites were identified through our Brownfield Inventory Grants. Representatives from six economic development agencies joined with us to market their sites, including: Maureen Ford, Regional Industrial Development Corporation of Southwestern Pennsylvania; Bob White, Redevelopment Authority of Bucks County; Andy Toy, Philadelphia Commerce Department; Kathy Phifer, Redevelopment Authority of Montgomery County; Lisa Bobzien, York County Economic Development Corporation; and Phyllis Stellfox, Lancaster County Commissioners. More than 450 people attended the event in Chicago, April 25 and 26, 2000, to investigate a variety of properties with 41 exhibitors from across the country. In addition, Bob Baron from Bethlehem Commerce and Bob Behling from PPL joined forces with us to showcase these Pennsylvania properties. This broad representation reflected the wealth of opportunities throughout our state. Several interested purchasers followed up with Bethlehem Commerce and our economic development agencies for further information and for site tours. They are expecting sales in the near future.

As the keynote speaker, DEP Deputy Secretary for Air, Recycling and Radiation Protection Denise Chamberlain provided information on Pennsylvania's emerging initiatives geared toward increasing lending for brownfield projects. Chamberlain also participated on a policy panel with EPA Deputy Assistant Administrator Timothy Fields and HUD Assistant Secretary Cardell Cooper to announce upcoming federal and state initiatives. Land Recycling Program Manager Tom Fidler presented a workshop on

many useful tools and strategies for reusing former industrial sites.

■ **Scottish Environmental Industries Association's Contaminated Lands Forum** — In December 1999, DEP Land Recycling Program staff member Jim Spontak spoke to members of Scotland's new parliament, in Dunfermline, Scotland, about Pennsylvania's Land Recycling Program's statewide standards, procedures, liability relief, success stories and new program initiatives. Scotland's past economy, like Pennsylvania's, was based in iron, steel and coal making. This industrial history caused environmental problems similar to those in Pennsylvania. Scotland's new parliament is interested in learning how Pennsylvania is solving its environmental problems through the Land Recycling Program.

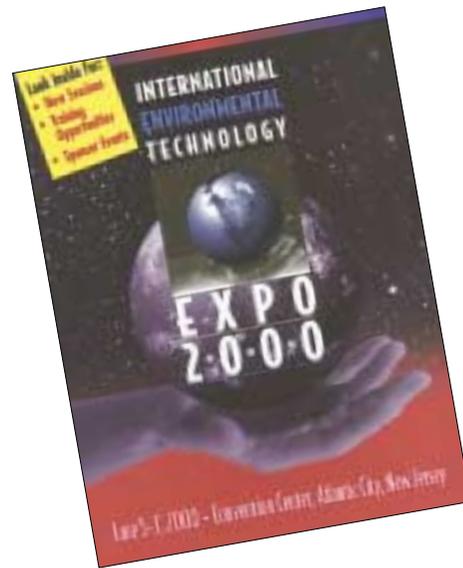
■ **Globe 2000** — Pennsylvania's DEP and Department of Community and Economic Development (DCED) led a delegation of business leaders to one of the largest international conferences and environmental technology trade shows in the world. The Vancouver, British Columbia, conference draws more than 12,000 visitors annually, offering opportunities for Pennsylvania environmental firms to develop business in Canada and across the globe. The conference also provides an ideal forum to encourage businesses to purchase and recycle sites in Pennsylvania. The Land Recycling Program was one of the featured Pennsylvania programs that interested many of our international trading partners. Deputy Secretary Chamberlain conferred with the Canadian Prime Minister of the Environment to discuss how Canadians can adopt elements of the Land Recycling Program to promote redevelopment in Canada.

- **Brownfields 1999 Conference — Alliances for 21st Century Livability...Environmental Challenges and Solutions** — Land Recycling Program representatives participated in the largest brownfield conference of its kind. The 1999 conference brought 2,500 attendees from across the country to Dallas, Texas, where DEP participated in panel discussions and exhibited case studies and program information.
- **International Environmental Technology Expo 2000** — DEP participated in the expo geared toward company decision-makers, regulators and technology developers, in Atlantic City, N.J., June 2000. Participants gained information to design and deploy technologies faster, more effectively and more efficiently. Deputy Secretary Chamberlain led a discussion about redevelopment opportunities and challenged the participants to join in developing a sustainable future through brownfields revitalization.

Reaching Farther with New Initiatives

A sound foundation of five years' experience carries the Land Recycling Program to the next level of environmental and economic challenges. We must further develop and foster collaborative relationships with the financial community, work smarter on building new transitional models to ensure environmental safeguards are monitored and maintained, and provide products that limit or remove liability concerns.

These products of the future reflect DEP's understanding and commitment to a standard of environmental excellence while building on smart growth and 21st century economic development opportunities. Moving forward means expanding our client base and offering new products such as Financial Resources for the Environment (FRE), PA SiteFinder, *The Insider's Guide to Land Recycling* (a program and incentive guide) and an EPA Superfund/RCRA Memorandum of Understanding (MOU).



Financial Resources for the Environment (FRE)

“To take the Land Recycling Program to the next level, we need increases in capital for brownfield redevelopment and other green initiatives,” DEP Secretary James M. Seif said. “Our program has surpassed its federal counterpart, but it needs investors from the private sector for Pennsylvanians to truly take full advantage of the opportunities presented by brownfield redevelopment.”

DEP has uncovered strong interest in providing additional capital to spur further advances. A consortium of 40 banks, utilities and corporations are forming a financial intermediary to increase lending and venture capital opportunities for brownfield redevelopment and other worthy environmental projects. William F. Hecht, chairman, president and CEO of PPL, Inc.; and James J. Lynch, chairman and CEO of Pennsylvania Summit Bank, are co-chairs of the executive task force of senior bank, corporate and community leaders who will develop the multi-million dollar lending vehicle.

We must further develop and foster collaborative relationships with the financial community, work smarter on building new transitional models to ensure environmental safeguards are monitored and maintained and provide products that limit or remove liability concerns.

The FRE project was launched on Dec. 3, 1999, with the support of three cabinet secretaries: Sam McCullough, DCED; James M. Seif, DEP; and David E. Zuern, Department of Banking, with support from the Federal Reserve Banks of Philadelphia and Cleveland. Michael Brown, senior vice president at Summit Bank, is chairman of the working task-force being assisted by Sid Johnson, The Development Fund; and Keith Welks, The Phoenix Land Recycling Company. The Development Fund, a nonprofit organization, has a national track record of creating private-sector-financing intermediaries for community development. The working group is developing lending criteria for various credit offerings and an organizational structure. If you would like to participate as a member of the task force, or if you are interested in ultimately providing capital, please contact Michael Brown of Summit Bank at **(215) 836-3810**.

PA SiteFinder

Looking to purchase a site in Pennsylvania? Do you have a former commercial site to sell? DEP can help make it happen. DEP is developing a web-based listing of properties available for redevelopment in Pennsylvania, and has piloted this concept with the Brownfields Directory available on DEP's website. Several sites already have sold through this real estate tool, and many people check the listing when searching for properties with special characteristics. But this directory is only a starting point.

In the fall of 2000, DEP will unveil PA SiteFinder, an on-line marketplace leveraging state-of-the-art technologies that will facilitate redevelopment transactions. Hundreds of sites from which to choose are available throughout Pennsylvania. PA SiteFinder will provide a simple, efficient means of accessing real estate information at no cost to the user or advertiser. A user will search PA SiteFinder by property location, acreage, building square footage or cost. Once a potential site is identified, additional information can be retrieved including: county, township, property size, zoning, usable buildings, building condition, building area, utility access and other helpful information. In addition, users will reach owners or realtors directly by email for additional information.

Many sites are being listed as the information is gathered under our Brownfield Inventory Grants (BIG) program. With BIG, municipalities and other

local government entities are compiling information about available properties and posting them for sale. Private parties, real estate foreclosure departments or companies also can list properties for sale. Reach a new market and list your former commercial sites with us — contact Tom Mellott at **(717) 783-7816** or at **landrecycling@dep.state.pa.us** to start today.

Regional Deal-Flow Marketplace

In February 2001, DEP will co-host a Mid-Atlantic Deal-Flow Conference, along with the National Brownfield Association, and the states of New Jersey and New York. The Mid-Atlantic Deal-Flow comes on the heels of the successful Deal-Flow 2000 conference held in Chicago, in April 2000. Playing on the ideas originated by Deal-Flow 2000, the Mid-Atlantic Deal-Flow will bring owners, developers, transaction support and policy players together to provide the venue for the common goal — selling properties for economic development.

The conference will provide seminars and panel discussions led by key members of the brownfields community. Additionally, the conference will provide a tradeshow style setting for attendees and exhibitors to market properties and highlight property features and sales incentives. Pennsylvania is excited about hosting such a cutting-edge conference. We invite property owners, both private and public, to showcase their properties, and encourage economic development agencies, developers, and business owners to attend. For information about this opportunity, please contact Eric Thumma at **(717) 772-2724** or at **thumma.eric@dep.state.pa.us**.

The Insider's Guide to Land Recycling

The new era of information technology and exchange has presented DEP with an opportunity to enhance our outreach to new clients in ways that will simplify and demystify the land recycling process. We are

PA SiteFinder will provide a simple, efficient means of accessing real estate information at no cost to the user or advertiser.

DEP's Land Recycling Program continues to open doors for many involved in the redevelopment process by offering a variety of financial assistance, incentives and programs.

drafting *The Insider's Guide to Land Recycling* that will assist first time buyers, sellers and developers in understanding the “ins” and “outs” of the process. This tool also will be a ready reference for the experienced user. A CD-ROM version will include “how to” information about land redevelopment, state and federal funding opportunities, and other types of support or incentives from different sources, such as foundations and non-profit organizations.

Assembling all of the information you ever wanted to know about brownfield transactions will benefit all parties who play a part in the deal. The materials will include model agreements and applications to participate in grants, loans and other brownfield opportunities. We expect this bestseller to be published in the spring 2001.

EPA Superfund/RCRA Memorandum of Understanding (MOU)

More than 700 cleanups have been approved under Pennsylvania's Land Recycling Program standards, and EPA has not intervened in a single case. However, clarification of issues related to state/federal environmental liability is in the best interest of the Commonwealth, property owners, prospective property purchasers, businesses and EPA.

DEP's goal is to provide optimum services and opportunities to avoid duplicative efforts for remediators and to satisfy both state and federal liability by cleaning up sites using the Land Recycling Program's standards. DEP has participated in ongoing discussions during 1999–2000, to pursue an MOU with EPA — cutting the red tape and eliminating duplication of remediation efforts.

Field-testing of methods to voluntarily address the federal Superfund and RCRA program requirements as part of the Land Recycling Program cleanups is ongoing at several sites across the state. The collaborative federal/state/private partnership is exploring cost-effective answers to issues that create time-consuming obstacles and costly solutions. This effort has proven invaluable for all parties. Both EPA and DEP realize that finalizing this agreement will enhance planning and communication efforts in streamlining the environmental remediation process.

A key factor in meeting these goals is the consensus among state and federal authorities that allows for expedited cleanup and avoids duplicative efforts. Completion of the agreement is dependent, in part, on completion of the fieldwork at the pilot sites and certain RCRA guidance being developed by EPA.

Opening Doors with Financial Opportunities and Incentives

DEP's Land Recycling Program continues to open doors for many involved in the redevelopment process by offering a variety of financial assistance, incentives and programs. Some of these services include the Brownfields Inventory Grants, DCED's Industrial Sites Reuse Program, Infrastructure Development Program, Keystone Opportunity Zones (KOZs), Key Sites Initiative and “Growing Greener” Initiative.

Brownfields Inventory Grants (BIG)

Pennsylvania's municipalities and economic development agencies are identifying properties with idle or under-utilized commercial and industrial facilities to offer them for sale as new economic opportunities. Many sites with attractive features are available — features include significant acreage, 14-foot ceilings, rail spurs and ideal locations to transportation. DEP applauds the local efforts and wants to provide meaningful assistance to identify and market these sites.

Under the BIG program, DEP provides grants to municipalities, counties and redevelopment authorities to inventory brownfield properties in their area. If these properties are available for redevelopment, information about infrastructure, usable site buildings, suspected or confirmed environmental contamination and other related facts are collected and listed on DEP's Brownfields Directory, a web-based multi-site listing of Pennsylvania properties.

The online multi-list receives frequent inquiries from developers, site locators and others searching for sites available for redevelopment. Several sales already have occurred. Later this year, this real estate tool will be redesigned as PA SiteFinder, including new features to help BIG recipients market and sell property in Pennsylvania.

BIG grants are on a rolling cycle and provide \$1,000 per inventoried site, as much as \$50,000 per grantee, per grant cycle. DEP awarded grants to 44 applicants, covering 53 counties, in 1999–2000. These grants have a potential value of more than \$2.25 million during the first grant cycle. The organizations that are stimulating economic development in their communities are listed in Appendix 4.

Don't miss an opportunity to promote economic development in your community. The next round of grants will be announced in the Pennsylvania Bulletin and on the DEP website, www.dep.state.pa.us (**directLINK** "Land Recycling.") Visit the website and click "Brownfields Inventory Grants" for background, instructions and an online application form. Information also is available by contacting Craig Olewiler at (717) 783-7816 or at landrecycling@dep.state.pa.us.

Industrial Sites Reuse Program (ISRP)

Grants and low-interest loans are available for environmental assessments and remediation of former commercial sites. DCED administers the program and provides grants to municipal and local authorities, non-profit economic development agencies and similar organizations. Low-interest loans are available to private parties, with current interest at two percent.

As much as \$200,000 is available for environmental assessments and as much as \$1 million for remediation. Funds must be used to finance as much as 75 percent of costs of environmental assessment or remediation. More than \$28 million was loaned or granted for environmental assessments or remediation including funds for the Greater Erie Industrial Development Corporation, Philadelphia Regional Port Authority, Pittsburgh Economic and Industrial Development Corporation, Altoona-Blair County Development Corporation, Beaver County Corporation for Economic Development, Allentown Commercial and Industrial

Development Authority and others listed in Appendix 3. For more information, contact Scott Dunkelberger, at (717) 787-7120, or check out DCED's Funding Source Directory at its website www.dced.state.pa.us.

Infrastructure Development Program

The Infrastructure Development Program provides grant and low interest loans to finance public and private infrastructure improvements needed for a business to locate or expand at a specific site. The program also provides financing for infrastructure costs required to redevelop industrial and commercial sites idle for more than six months. The funds may cover costs of clearing and preparing land, environmental remediation, waste and sewer systems, parking lots, storm sewers, and renovation and demolition of former industrial and commercial sites.

These loans and many more types of financial assistance are available by applying through a single application. The process reduces paperwork and facilitates the coordination of resources for a total package focused on creating economic development. "The application is easy, just 12 pages," Vice President of Alliance Environmental Senya Isayeff said. "Businesses should take advantage of the many available funds through the easy on-line application process." The single application is available on-line, along with the Funding Source Directory. The Funding Source Directory explains all of the grant, loan and tax credit programs available from DCED. Visit DCED's resources at www.dced.state.pa.us.

*available funds include
as much as*
\$200,000
**for environmental
assessments**
&
\$1 million
for remediation

Keystone Opportunity Zones (KOZs)

Your next commercial site may be waiting for redevelopment in a Keystone Opportunity Zone (KOZ). With the powerful market-based incentive of tax abatements, many former commercial and industrial sites are attractive business opportunities. With sites located in 12 KOZs, businesses can take advantage of up to 12 years of greatly reduced or no tax burden properties. State and local taxes that are tax-exempt, waived or offset by credits or deductions may include: Corporate Net Income Tax; Capital Stock & Foreign Franchise Tax; Personal Income Tax; Sales & Use Tax; Earned Income/Net Profit Tax; Business Gross Receipts; Business Occupancy, Business Privilege & Mercantile Taxes; Local Real Estate Property Tax; and Local Sales and Use Tax.

Opportunity awaits with more than 27,000 acres of property located in 54 counties throughout Pennsylvania. Currently, 85 projects are underway in KOZs. These special areas also receive propriety consideration for state assistance under various programs, including the State Customized Job Training Program, Infrastructure Development and the Industrial Site Reuse and Opportunity Fund.

For example, Shenango Valley Industrial Development Corporation received \$1.6 million in state grants to develop a new industrial park on a 35-acre brownfield site, part of the former Sharon Steel facility (see *Regional Showcase feature, page 24*). For more information about KOZs, see *Related Program Successes (page 36)* and visit DCED's website at www.dced.state.pa.us.

businesses can take advantage of up to

12
years

of no tax burden properties

Key Sites Initiative

DEP is always looking for a few good sites to participate in the Key Sites Initiatives. Local economic development agencies may have sites that need more environmental information to accomplish sales, but lack the funding or expertise to conduct environmental assessments.

With the Key Sites Initiative, economic development agencies or local governments target abandoned sites or sites they own that have the best potential for reuse. Then, DEP uses state-funded contractors to conduct environmental site assessments, and prepare plans to encourage and facilitate the voluntary cleanup and reuse of these properties. The Key Sites Initiative focuses on using state funds to redevelop publicly-owned or controlled sites where a release of contamination is suspected or documented, and where a high potential for redevelopment on these sites exists. Community support, investor interest and economic development agency commitment to site reuse are the key ingredients to the success of this initiative. For more information, see *Related Program Successes (page 32)*. If you have a potential site, contact Tom Fidler at (717) 783-7816 or at landrecycling@dep.state.pa.us or contact your local DEP environmental cleanup manager for more information.

“Growing Greener” Initiative

The Land Recycling Program projects and initiatives are complimented by Gov. Ridge's “Growing Greener” initiative. “Growing Greener” aims to invest nearly \$650 million during the next five years to preserve farmland and protect open space, eliminate the maintenance backlog in state parks, clean up abandoned mines and restore watersheds, and provide new and upgraded water and sewer systems. Pennsylvanians may seek to combine “Growing Greener” grants with other funds to redevelop brownfields or combinations of brownfields and old mining sites called “greyfields.” “Growing Greener” grants are distributed in rolling grant rounds. For one-stop access to “Growing Greener” grants information, visit www.GrowingGreener.org.

Innovation. Partnerships. Renewal.

By creating innovative programs and incentives, and facilitating strategic partnerships, Pennsylvania's Land Recycling Program is in the forefront of brownfields renewal — transforming old sites into productive land.

As the Land Recycling Program marks its fifth year of progress, Pennsylvania recognizes that the program's realistic standards, liability relief, timely remediation review and financial assistance, provide a common sense solution to site cleanup and reuse that makes Pennsylvania an environmental leader. *(See the next page for a complete map of Land Recycling Program remediation efforts in Pennsylvania).*

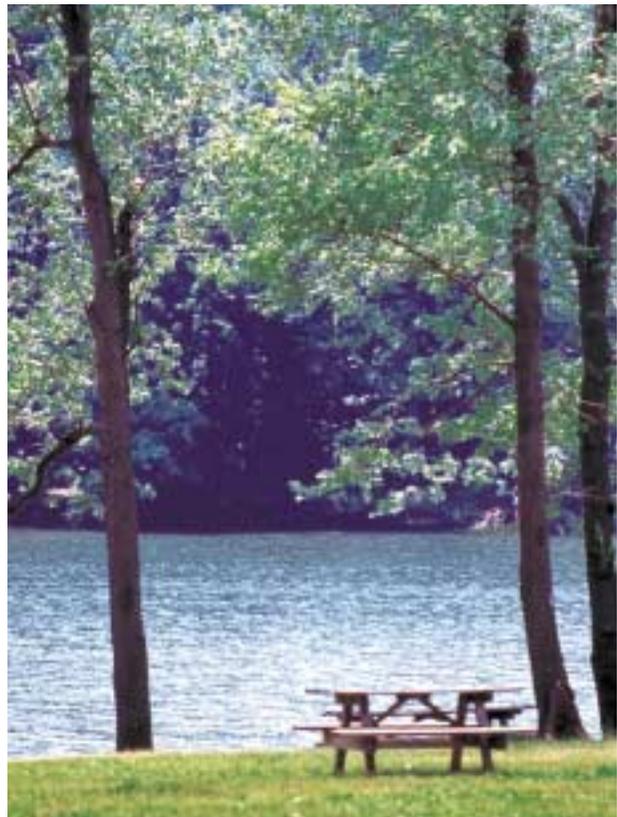
Gov. Ridge's "Growing Greener" initiative aims to invest nearly

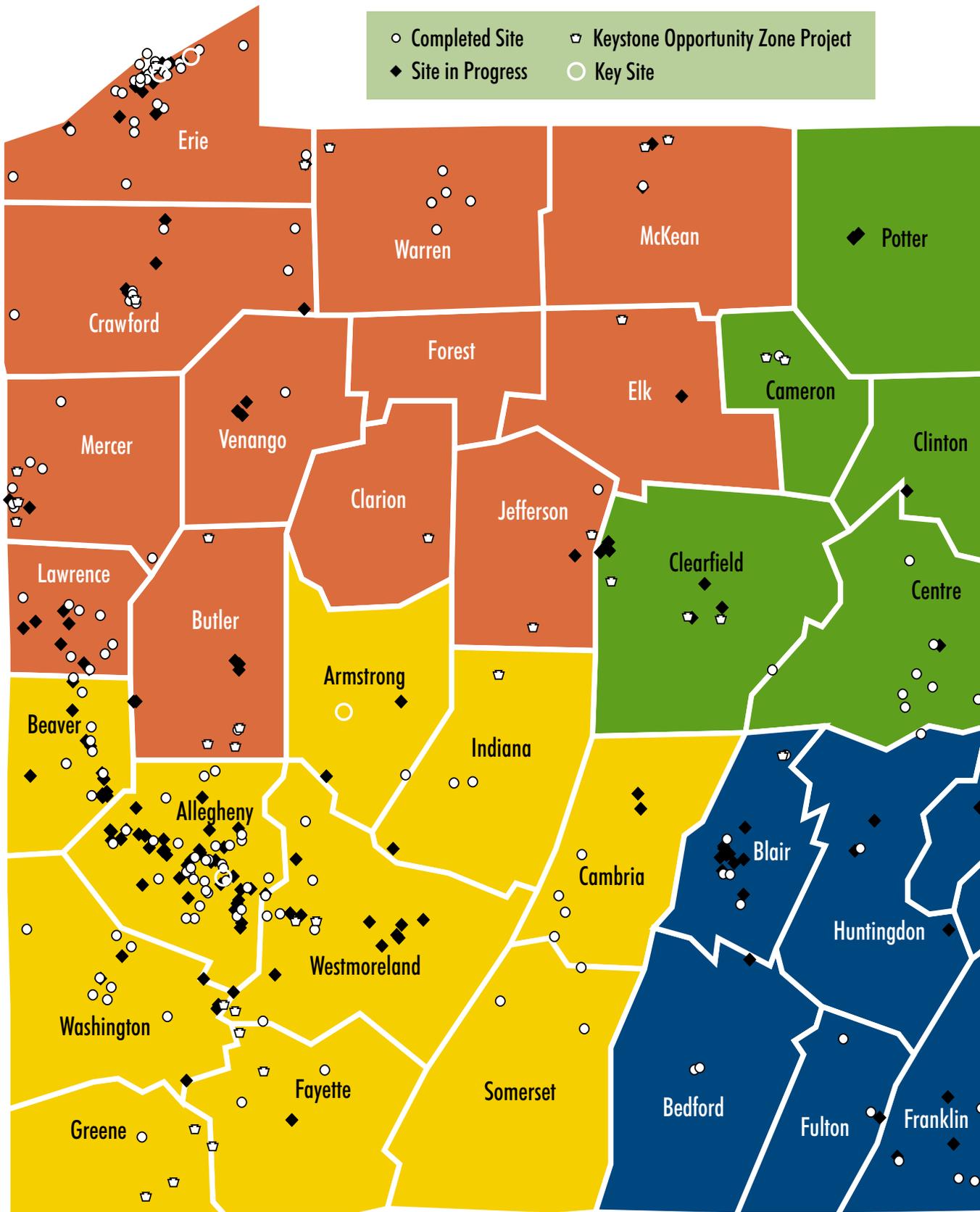
**\$650
million**

during the next five years



*Keystone State Park,
Westmoreland County*





Pennsylvania's Land Recycling Program Sites July 1995–June 2000

