



**PARTNERSHIP FOR SUSTAINABLE BROWNFIELD REDEVELOPMENT  
(PSBR)**

**SCENARIO FOR BROWNFIELD REDEVELOPMENT CASE**  
PSBR Workshop, Brownfields 2002, November 14, 2002

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**THE DREAM**

I. Goodman was the chairman of the Community Bank of City Town, an older industrial city with a population of 75,000, down from 85,000 in the 1980 census. The bank was known for its support of the small businesses on the near west side of the city, and for its mortgage and home equity lending to the residents of the aging community to help maintain the housing stock within the community.

Mr. Goodman's dream was to provide a senior citizen village in the community so that the lifelong residents would be able to remain in the neighborhood in their final years. His vision included multi-unit housing for seniors, a community center and garden, a small complex of stores to serve their needs, and possibly a facility for assisted living.

**THE CONCEPT**

Upon his retirement from the bank, Mr. Goodman joined a small group of local business leaders to establish a non-profit foundation to help bring the dream into reality. To honor its leader, the board named the foundation The Goodman Foundation for Community Life. The members of the Foundation set out to identify a location on which to build Mr. Goodman's dream, and engaged the retired Community Relations Specialist from the bank on a part time basis to help move the concept forward.

**THE SITE**

The Foundation has its eyes on a 5 acre parcel formerly part of the West Side Steel Fabricating and Extruding Company (WSSFE) plant that was once the primary employer of residents of the neighborhood. The parcel occupies a total area of 5 acres, and is now owned by an out of state company that bought the site and tried to operate the plant when WSSFE closed its doors in 1980. The venture failed and all production ceased in 1982.

The Goodman Foundation commissioned an environmental consultant to perform a Phase I Environmental Assessment, and a limited Phase II Site Investigation for the property. A local professional engineer performed a structural survey of the three buildings left standing on the site. The results of the professional studies of the property are as follows:

## **Buildings and Their History**

### **Building 1**

- ?? Four-story brick building, 30,000 ft<sup>2</sup> footprint.
- ?? Structurally sound, can be renovated for residential, commercial or industrial uses following any environmental remediation.
- ?? Until 1982, used to fabricate and paint steel braces in specialty construction.
- ?? 1983-1985, used as a storage facility for cardboard box recycling.
- ?? Vacant since 1995.

### **Building 2**

- ?? One-story , 18' high steel "Butler" type frame building, 40,000 ft<sup>2</sup>.
- ?? Frame of building is structurally sound, but the rusted siding would have to be replaced for the building to be reused.
- ?? Used by WSSFE and its successor to draw and extrude steel to create steel wire.
- ?? Since 1986, used by the City Town Daily Gazette to store rolls of newsprint, with two on-site employees.

### **Building 3**

- ?? Three-story, brick building, 25,000 ft<sup>2</sup> , attached to a 10,000 ft<sup>2</sup> boiler house that supplied steam to the entire WSSFE complex.
- ?? The three-story building is structurally sound, but the boiler house building was damaged by fire and may not be fit for reuse.
- ?? Until 1982, the three-story building was used to machine steel parts.
- ?? Since 1996, the first floor of the three-story building has been leased by a landscaper to store and maintain his trucks and equipment.

## **Environmental Conditions**

### **Building 1**

- ?? Drums of lubricating oil remain in the building, with some oil having been spilled into the wood base floors.
- ?? Lead based paint is present on floor surfaces, structural members, and some wall surfaces.
- ?? Floor drains were found, but it is not known where they lead to.

### **Building 2**

- ?? A total of ten (10) transformers containing PCBs were found, four on pads on the ground, four on exterior walls of the building, and two on large utility poles.
- ?? Unpaved areas behind the Butler building, and between Buildings 1 and 2 were sampled, and high concentrations of heavy metals including Lead, Cadmium and Copper were found.

### Building 3

- ?? Two (2) large underground storage tanks are present that were used to fire the boilers. Prior to WWII, the boilers were fired by coal.
- ?? Coal cinders were found in test pits dug behind Building 3. High concentrations of metals and semi-volatile organics were found in some soil samples at depths of 3-7 feet.
- ?? Friable asbestos was found on the boilers and steam pipes.
- ?? A culvert runs under a portion of Building 3 where a small tributary to the Old Mill Run used to flow.

## **THE STAKEHOLDERS**

The goal of the Goodman Foundation is to facilitate the development of a Senior Citizen Village with as much outside help and participation as possible. They have made contact with the following groups.

### 1. City Town Development Department. CTDD has the three fold mission of:

- ?? Developing affordable housing, including securing federal and state subsidies for middle income and senior housing.
- ?? Stimulating economic development and job growth.
- ?? Using city resources, including obtaining grants for brownfield development, and exercising the condemnation power of the city to further its economic development goals.

### 2. Property Owner.

The property owner is the Midstate Steel Company. Midstate purchased the site in 1981, and briefly operated there with a variety of steel fabricating operations, but closed down the site in 1982. Since that time, they have leased out space in Buildings 1-3 for purposes that bring very little economic return to the area, and very few jobs. Midstate has not maintained the property in good condition, and has resisted previous efforts to have the site redeveloped.

Midstate is considering a merger with a larger company, and would have several tax advantages if it was able to divest itself of this property in the next 12 months. They are particularly concerned about the cost of environmental cleanup relative to the value of the property, and about long-term liability.

### 3. Municipal Planning Board.

The Planning Board is concerned about preserving the historical value of Buildings 1 and 3, traffic flow in the area, and the conformity of the site to

adjacent areas that the area-wide development plan has designated for commercial development.

4. Developer.

The Housing Plus Corporation has successfully renovated and developed subsidized housing in other cities, and has a successful chain of assisted living facilities for seniors. They learned of the Goodman Foundation from the City Town Development Department, but are concerned about the cost of environmental cleanup and assuming any long term environmental liability.

5. Community and Neighborhood Leaders.

The local business community has worked hard to maintain a stable commercial area on the near west side. They support bringing in small businesses, but oppose any redevelopment that would include national chain or big box stores. Neighborhood residential groups support the senior housing concept, but also are pushing very hard for a youth center, open space, and a supermarket in their area which is under-served by chain stores of any kind. A small but vocal minority of community activists oppose any project unless the site is completely cleaned up to background levels of contamination.

Several executives of the Community Bank of City Town have roots in the neighborhood, including relatives who still live there. Several members of the Board of the Goodman Foundation are active and play leadership roles in community organizations. Mr. I. Goodman is a past president and member of the Board of Directors of the West Side Chamber of Commerce, and the Board of Commerce of City Town.

6. State Environmental Regulators.

The State Environmental Department (SED) has a voluntary cleanup program. They provide grants to municipalities and non-profit organizations for site investigation, underground storage tank closure, and the use of innovative remediation technologies. SED allows Brownfield sites to be capped following performance of a risk assessment, but places very stringent requirements on the owner to maintain the cap. They have yet to develop a uniform policy on allowing residential development on contaminated sites, preferring to review each proposed development, in detail, on a case-by-case basis.

7. Private Financial Backers.

The Community Bank of City Town will provide some pre-construction financing to the project, but does not want to participate in any long term financing. They have assembled a group of potential lenders and backers, with whom they will discuss the project.