



10 Steps for Initial Consideration of a Brownfield Redevelopment *or* **What to do before deciding whether to call in specialized (expensive) help.**

All potentially contaminated property has a chance to be addressed successfully and economically. Redevelopment of a brownfield property is fundamentally a real estate development project. Certainly there are some special considerations involved that will require additional time and cost, but these challenges are resolvable if the project is “right.” So, it is first and foremost a real estate project. Project feasibility depends on the location, all the site’s characteristics, the proposed use and users, the neighborhood, the local government and the regulating bodies.

Is the site worth thinking about seriously to promote at this time?

The fundamental factor for success is location, location, location – following normal economic forces. But the brownfield site immediately brings up two other questions:

- Could there be chemicals or petroleum products present in the building, in containers in or on the ground, or in the soil or ground water creating a situation that makes redevelopment of the land uneconomical?
- Could there be building materials present in the structures that are too expensive to address given the future use of the property?

Before you ask for professional technical or legal assistance to answer these two questions, first ask the following questions. The answers will not only let you know whether a project is worth pursuing, but will also give you guidance on what specific questions you would want the specialists to answer.

1. Is the history of use of the site clear?

The more directed is the search for specific types of contamination, the cheaper and more certain is the environmental liability. Is there evidence of indiscriminant dumping?

2. Is the building an asset or a liability?

Because of asbestos and other materials, old buildings can be used most economically if the new user can use “as is” without renovation or if completely gutted for a high rent purpose.

3. Is the owner cooperative or at least accessible?

For example, a local owner is better than an international holding company; an international company with an accessible agent is better than a recalcitrant owner.

4. Is the potential contamination just petroleum products or could there be organic chemical solvents, pesticides or other chemicals?

Potential presence of significant chemicals is generally a greater challenge than petroleum products that degrade much more quickly by natural means.

5. Is the neighborhood on city water?

The health risk of ground water contamination does not exist from water that is not being consumed.



6. Is the top layer of soil clay, or is it sand or gravel?

Past contamination is usually trapped in clay – that protects it from getting into the ground water and makes it easy to scoop up or to contain it with impermeable cover.

7. Is the site in a flood plain that periodically floods?

Past contamination could be harder to evaluate if it has been spread around over the years.

8. Is the site in the middle of an industrial area?

If there are residents adjacent or nearby, their wishes and concerns are a significant factor in the development; that can be a positive or a negative for the project.

9. Do neighboring tracts have serious contamination challenges?

This is not inherently a factor to help or hinder reuse of a given property, but it certainly is a factor that affects the range of choices.

10. Will the existing infrastructure of roads, sewer lines, water lines and energy supply be an advantage or a disadvantage?

Some local, state, and federal assistance is very likely to favor redevelopment of property in existing developed areas in order to avoid sprawl or to avoid development in areas that require new infrastructure.

Other observations:

Is a private lender involved?

Private lenders need highest assurance of limited uncertainties due to liability concerns.

Is a private sector buyer or investor involved?

Private sector, long-term users are a tremendous advantage to success of brownfield redevelopment. They have experience gauging true environmental risk and may proceed where lenders may hesitate.

Can the local government and development authority be involved?

The local government may expedite local routine decisions, provide special incentives or be a major player in sharing risks & benefits. Local governments' development authorities routinely improve property for later commercial and/or industrial uses and arrange attractive financing for beneficial development projects. So, local government involvement can relieve a private sector user of some of the uncertainties and extra time required for assessments, remediation steps, etc. On a national average, every \$1 of public investment in brownfield redevelopment has leveraged \$2.50 in private investment.

Can the state or federal government be involved?

Georgia and the federal government have financial and technical assistance resources to promote redevelopment of certain types of brownfield properties for specific purposes.

What types of new business or public use on the property would the neighborhood welcome as acceptable or desirable?

Some projects have shown redevelopment of a brownfield property to be the catalyst resulting in revitalization of entire neighborhoods.

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