ITEM: 10

SUBJECT: Brownfield Site Cleanup and Redevelopment – Status Report


DISCUSSION: The issue of brownfield cleanup and redevelopment is gaining visibility in California and elsewhere. Governor Schwarzenegger mentioned it in his October 2003 Environmental Action Plan as part of a strategy to revitalize California’s economy. Cal/EPA recently announced a brownfield initiative that would, among other things, formalize the process used by the Cal/EPA agencies to oversee brownfield sites. We expect the Water Board to be more engaged in this issue over the coming years. It is therefore timely to provide you with a more comprehensive overview of brownfields and where we have come over the past few years.

Brownfields are properties where real or suspected contamination discourages owners or buyers from redeveloping. Brownfield cleanup and redevelopment has multiple benefits: it eliminates contamination problems, provides economic benefits to the community, and reduces development pressure on the urban fringe (becoming known as “greenfields”).

The Water Board has been significantly involved in brownfield cleanup and redevelopment over the past ten years. Most of these activities have been handled administratively, including issuing “comfort” letters to buyers or neighbors of contaminated property and completing staff-level approvals of cleanup plans. Some activities have involved the Water Board itself, notably issuing Site Cleanup Requirements for brownfield sites and approving “prospective purchaser” agreements (which shield buyers from future liability if they comply with certain conditions). We can point to more than 33 significant brownfield sites in our Region where our oversight led to cleanup and redevelopment. These include some landmark sites like San Francisco’s Mission Bay, the conversion of the former Pacific Refinery in Hercules to housing, and the future Eastshore State Park. More recently, Water Board staff has played a leadership role in developing environmental screening levels for over 100 of the most common contaminants we encounter. These screening levels promote brownfield redevelopment by allowing developers to quickly determine the likely cleanup standards to which they will be held.

In July, Cal/EPA Secretary Tamminen announced a brownfield initiative aimed at improving the way Cal/EPA agencies coordinate their regulatory activities at
brownfield sites. We described this initiative in the August and September Executive Officer’s Reports. A key element of this initiative is for the State and regional water boards and the Department of Toxic Substances Control to enter into a “memorandum of agreement” (or MOA). The MOA will help determine the appropriate oversight agency for new brownfield sites and will assure that all agencies’ concerns are addressed by the lead agency.

Following several weeks of internal discussion, a draft MOA will be released for public comment later this month. Afterward, Cal/EPA will ask the water boards and the Department to ratify the MOA. We are satisfied that the draft MOA addresses Cal/EPA’s concerns while preserving the fundamental virtues of this Water Board’s brownfield program. Barring significant changes during public review, I intend to sign the MOA when it is presented for ratification later this fall. This falls clearly within the scope of actions delegated to the Executive Officer. However, this status report provides an opportunity for you to indicate if you wish to be more involved in the MOA review and approval process.

The attached staff report (Appendix A) provides an overview of brownfields and how the Water Board is involved in their cleanup and redevelopment. It addresses: brownfield definition and context, other involved agencies and parties, past brownfield activities by this Water Board, our results and accomplishments, recent Federal and State legislation on brownfields, Cal/EPA’s brownfield initiative, and next steps. During the staff presentation, we will highlight some examples of brownfield sites we have overseen.

We conclude that the Water Board has played a leadership role in brownfield cleanup and is in a position to continue this role in the future.

RECOMMENDATION: Informational item – no action needed

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APPENDICES: A – Staff Report