



# Indiana Brownfields Bulletin

Winter 2013

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## IFA's Return on Investment (ROI) annual survey project – 2012 results

The Indiana Brownfields Program (Program) continues to measure the positive results of its assistance and benefits of brownfield redevelopment, such as jobs created, businesses created or retained, and leveraged funds, through its annual survey of Program participants that have received financial and technical assistance. These annual surveys provide important feedback that the Program utilizes to evaluate its services to brownfield stakeholders, report to the U.S. Environmental Protection Agency (U.S. EPA), and highlight local economic and environmental successes. The 2012 survey results illustrate the advantages of utilizing the Program and its incentives which level the playing field between greenfields and brownfields, and facilitates brownfield redevelopment.

In 2012, the Program received completed surveys for 573 brownfield sites that have received Program assistance since the Program's inception in 1997. Information from these surveys was used to calculate the return on financial investment (ROI) by the Indiana Finance Authority (IFA) for Program projects. These ROI figures, as well as other pertinent, cumulative results for reported Indiana brownfield redevelopment projects are summarized below:

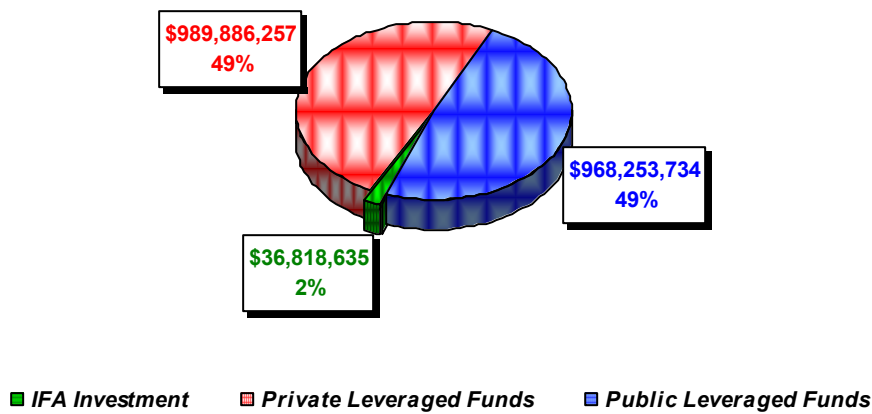
- ROI for IFA-funded projects is \$10 of investment for every \$1 of State financial assistance provided.
- ROI for all projects, including projects that received technical assistance, liability determination letters, and oversight of federally-funded grant activities from the Program is \$53 of investment for every \$1 of State assistance.



*Environmental Stewardship. Economic Development.*

*Continued on Page 2*

## Project Funding Mix—Actual Funds Leveraged for All Projects



- ◆ Total jobs created: 7,159
- ◆ Total jobs retained: 4,714
- ◆ Total businesses created: 252
- ◆ Total businesses retained: 153

The Program appreciates all who have responded to this significant survey throughout the years. Please remember that Program participants can complete and submit the one-page survey at any time during their redevelopment project(s), as well as forward supplemental information about site successes. A form is conveniently available on our Program Web site at <http://www.in.gov/ifa/brownfields/2354.htm>.



### U.S. EPA evaluating Fall 2012 brownfield grant proposals; awards anticipated in Spring 2013

For a consecutive year, kudos goes to Indiana for its submittal of a steady number of proposals to the U.S. Environmental Protection Agency (U.S. EPA) for its 2012 (FFY13) nationally competitive brownfield grant round. In addition to the Indiana Finance Authority's Coalition Assessment Grant proposal for \$600,000 targeting the Kankakee-Iroquois Regional Planning Commission (KIRPC) region, the State proudly supported 15 applicants requesting a total of \$8,550,000 in Assessment, Revolving Loan Fund (RLF), and Cleanup (ARC) grants for brownfield redevelopment efforts statewide. For the last U.S. EPA grant round, Indiana was the highest funded state among the U.S. EPA Region 5 states, and the Indiana Brownfields Program hopes for similar success this year. For information about U.S. EPA's Brownfields ARC Grants and announcements, please visit [http://www.epa.gov/brownfields/grant\\_info/index.htm](http://www.epa.gov/brownfields/grant_info/index.htm).

## Indiana Brownfields Program makes another Auto Sector Brownfields Assessment Initiative award – limited funding remains

In July 2012, the Indiana Brownfields Program (Program) awarded \$99,999 to Conestoga, LLC through its Automotive Sector Brownfields Assessment Initiative (Auto Sector Initiative) for the Former Fort Wayne Foundry Corporation-Machining Division site located at 3404 Conestoga Drive, in Fort Wayne. This funding will help address environmental issues associated with the facility that closed as a result of the automotive manufacturing sector's downsizing.

Auto Sector funding will be used on the 7.67-acre brownfield site where automotive parts were machined and then distributed to auto makers, primarily General Motors, from 1986 to 2010. Funds were awarded to conduct site stabilization activities including removal of oil waste and a Henry Filter system, and associated pit cleaning. As the site owner, Conestoga, LLC plans to redevelop the site as a warehouse to store and distribute cleaning and water treatment products. An estimated two to ten new and/or retained jobs are anticipated during the next few years.

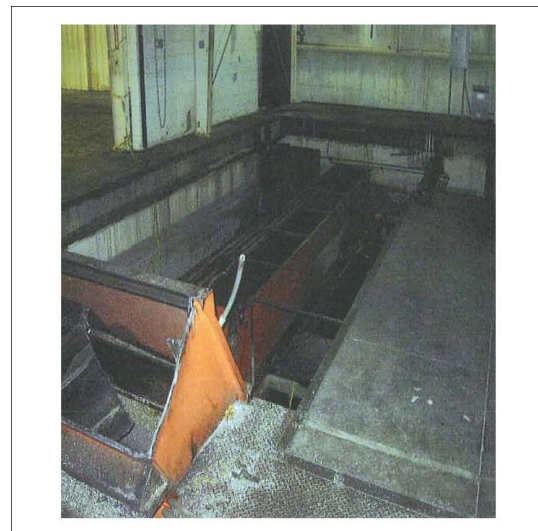
As of September 30, 2012, \$503,640 has been awarded through the Auto Sector Initiative for six sites, obligating over 95% of funds. A total of approximately \$25,000 in Auto Sector Initiative funding remains available for Phase I and Phase II environmental site assessments and other environmental activities (excluding remediation), such as asbestos-containing material and lead-based paint surveys, remediation work plan development, limited demolition, site stabilization, and controlling site access/site security at eligible brownfields. This funding is available to benefit the redevelopment of parts/supplier-assembly-manufacturing plants and auto dealerships that have been permanently idled or closed as result of the downsizing of the automotive sector and for which redevelopment is hindered by actual or potential environmental contamination.

The Program continues to accept applications on a first-come, first-served basis. As a reminder,

eligible political subdivisions or private applicants will be awarded professional services to be performed by environmental consultants retained by the Program; an award of services made to a private applicant will require a match of a percentage of the award amount, which will be determined on a case-by-case basis. Details regarding applicant and site eligibility criteria are included in the Auto Sector Initiative guidelines and the application located at the Program Web site at: <http://www.in.gov/ifa/brownfields/2366.htm>. For more information or questions, please contact Michele Oertel.



Southwest side of Former Fort Wayne Foundry, Fort Wayne



Pit in the southeast portion of Former Fort Wayne Foundry, Fort Wayne





### **Program partnering with the Indiana Economic Development Corporation**

With limited available resources at all levels of government to address brownfields, maximizing synergies among agencies and programs can play a critical role in the success of a brownfield project. The Indiana Brownfields Program (Program) works in partnership with the Indiana Economic Development Corporation (IEDC) to determine whether Program sites ripe for redevelopment are on the radar of the IEDC which might bring interested developers to a site, and vice versa; for companies looking to develop in Indiana, the Program may be aware of a brownfield site that suits their development needs.

The IEDC, as the State's lead economic development agency, highlights and leverages Indiana's assets such as central location, low tax rate, and skilled workforce to attract and support new business investment, create new jobs, and keep Indiana competitive in the current economy. With the Indiana Finance Authority (IFA)'s mission to provide successful financing solutions to facilitate public and private investments in Indiana, and with the Program's goal of bridging environmental stewardship with economic development, projects in partnership with the IEDC make economic sense.

Sites on which the Program and IEDC partner typically involve a prospective purchaser or tenant seeking clarification regarding the State's position on liability to clean up historical environmental contamination. Other projects have included Program oversight of investigation or remediation prior to site acquisition or while leasing.

The Visteon plant in Connersville, for example,

received a variety of Program assistance to facilitate redevelopment. A Brownfields Comfort Letter dated August 21, 2009, was issued to the City of Connersville as a prospective purchaser in order to clarify environmental liability. The City was party to an Agreed Order dated December 19, 2009, between the Indiana Department of Environmental Management (IDEM) and the City of Connersville to undertake site remediation. The IFA is managing funding for remediation overseen by the IDEM State Cleanup Program. Two State Revolving Fund (SRF) Program loans totaling \$4.2 million were issued on December 29, 2009, to the City of Connersville to help finance assumption of the remediation project from the responsible party (Visteon). A Brownfields Comfort Letter dated November 18, 2010, was issued to Carbon Motors as a prospective tenant.

Recent economic development/brownfield redevelopment projects involving both the Program and IEDC include:

- ◆ Reuse of the former ABB/Westinghouse facility in Muncie by Progress Rail Service
- ◆ Reuse of the former Kingsbury Ordinance Plant in LaPorte now operating at the INland Logistics Port at Kingsbury
- ◆ Reuse of the INDOT Seymour Sub-district Facility in Seymour on which Cummins Inc. is expanding
- ◆ Reuse of the former Visteon plant in Connersville at which Carbon Motors has its headquarters

The Program will continue to work in partnership with IEDC toward economically beneficial redevelopment of brownfield sites statewide. With its mission at the forefront, the Program is committed to encourage and assist investment in the redevelopment of brownfield properties by helping communities via educational, financial, technical and legal assistance to identify and mitigate environmental barriers that impede local economic growth.



**Revolving Loan Fund dollars for petroleum--  
still available to private and public brown-  
field borrowers**

Zero-to-low-interest loan funds continue to be available through the Indiana Brownfields Program's Revolving Loan Fund (RLF) incentive. Approximately \$78,000 of federal petroleum funding is currently being offered. Interested public and private entities are encouraged to contact the Program prior to submitting an application to discuss project needs and learn the most current available balance of funding to clean up petroleum-contaminated sites.

For more information or to download an application and guidance, please visit [www.in.gov/ifa/brownfields/2366.htm](http://www.in.gov/ifa/brownfields/2366.htm) and/or contact Michele Oertel.



**Indiana Brownfields Program partners with  
Office of Community and Rural Affairs to  
fund demolition and clearance projects at  
brownfield sites**

The Indiana Brownfields Program (Program) has been partnering with the Indiana Office of Community and Rural Affairs (OCRA) for more than a year to leverage one-time, Disaster Recovery 2 funding available from OCRA for demolition/clearance and other eligible activities to facilitate brownfield redevelopment. Through a non-competitive application process, the following ten brownfield sites in the Program received OCRA Disaster Recovery - IFA Brownfields Partnership Program awards to fund demolition/clearance or other eligible activities necessary to facilitate site redevelopment.

- ◆ **Clinton High School**, City of Clinton, Vermillion County: \$337,770
- ◆ **Old Birdseye School**, Town of Birdseye, Dubois County: \$162,000
- ◆ **White Castle**, Town of Orleans, Orange County: \$342,000
- ◆ **Carquest/Hendricksons**, Town of Boonville, Warrick County: \$116,000
- ◆ **Sullivan Elementary**, City of Sullivan, Sullivan County: \$441,125
- ◆ **Midwest Portable**, City of Lafayette, Tippecanoe County: \$500,000
- ◆ **28<sup>th</sup> Street Monon Dump**, City of Indianapolis, Marion County: \$500,000
- ◆ **Oakland City Main Street Site**, City of Oakland City, Gibson County: \$74,825
- ◆ **Walter Piano**, City of Elkhart, Elkhart County: \$500,000
- ◆ **Old Flora School**, Town of Flora, Carroll County: \$446,400

Other funding available through OCRA such as Community Development Block Grant (CDBG) funds can also be used for activities tied to brownfield redevelopment such as planning, demolition, construction, and infrastructure improvements. The utilization of OCRA grants for redevelopment projects can revitalize blighted areas and improve the overall community confidence. The Program will continue to partner with OCRA in its outreach efforts and to identify opportunities of gap financing for brownfield redevelopment projects.

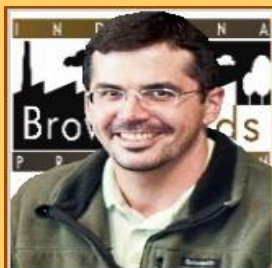


INDIANA OFFICE OF  
**Community & Rural Affairs**  
*Where Rural Matters*

**New federal guidance document released**

Several federal resource documents are available for states and communities that address and support the interdisciplinary nature of brownfields, including community urban agriculture, petroleum brownfields, and sustainable remediation and redevelopment. This past Fall, the Association of State and Territorial Solid Waste Management Officials (ASTSWMO) Brownfields Focus Group finalized its general toolbox on community gardens: *ASTSWMO's Community Gardening on Brownfields Toolbox, October 2012*. The toolbox is designed to assist States by providing a reference guide for community gardening at brownfield sites. States can add their own State-specific and other regulatory information to increase the document's applicability and usefulness. The document can be found at: [http://astswmo.org/Pages/Policies\\_and\\_Publications/CERCLA\\_and\\_Brownfields.htm](http://astswmo.org/Pages/Policies_and_Publications/CERCLA_and_Brownfields.htm).

**Indiana Brownfields Program Staff  
 "Snapshot"**



The Indiana Brownfields Program hired John Morris as a Project Manager in early 2012. John returned to Indiana from consulting in Denver, CO, and has been a very valuable addition to the Program's technical resource team.

**Happy Trails to Kyle Hendrix –  
 Indiana's loss is Texas' gain**

**Welcome to the first issue of  
 Brownfields Bulletin!**

The Indiana Department of Environmental Management's newest quarterly newsletter includes reports on the trends of brownfields uses, legislative updates and progress about the exciting brownfields initiative, not only in Indiana, but across the country. Special editions of the newsletter may be published to keep you abreast of important legislative issues and the state loan and grant programs.

How does IDEM define a brownfields site? It's an abandoned, inactive, under used, tax delinquent, industrial or commercial property on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.

IDEM encourages Indiana communities to use brownfields properties. They can be as large as an urban manufacturing facility and as small as a rural abandoned gas station. Redeveloping them not only cleans up and improves our air, land and water, but it yields economic benefits by returning property to the tax rolls and creating jobs. At the same time, using brownfields reduces urban sprawl, preserving farmland and undeveloped green fields.

In 1993, IDEM began establishing the state brownfields program in support of the U.S. Environmental Protection Agency's national brownfields initiative. With a \$150,000 federal grant, IDEM's Office of Environmental Response conducts brownfields environmental assessments at no charge to local Indiana government.

We have assisted 17 counties with 26 sites, and encourage more communities to take advantage of this program. Our goal is to identify and mitigate environmental issues that impede the economic growth of Indiana communities, resulting in improved environmental and economic health for Indiana's citizens.

The brownfields team consists of staff from IDEM's site investigation and leaking underground storage tank sections as well as a community relations specialist and an administrative assistant. The team has legal support from IDEM's Office of Legal Counsel. The brownfields program is divided into three key areas: technical assistance, financial assistance, and education and outreach activities.

Additionally, with our nationally recognized Voluntary Remediation Program, established in 1993, Indiana has a great tool for addressing many environmental liability issues. Property owners that successfully go through this

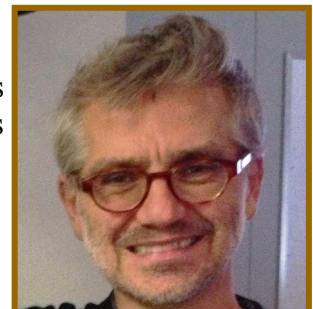
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*The Brownfields Team at Indiana Department of Environmental Management (clockwise from top left): Patry McArthur, Michelle Overell, Tom Baker, Dana Reed, Kyle Hendrix, and Susan Green. Contact information on back page.*

Kyle Hendrix was one of the initial team members of the Indiana Brownfields Program (Program) in 1997. He contributed to the creation and implementation of the State's new Program and served as Project Manager before moving on to new endeavors in the brownfield arena in 2001.

Kyle was the Brownfields Coordinator for the City of Indianapolis until early 2004, prior to performing environmental consulting work in the private sector. After Kyle gained a variety of additional brownfield redevelopment experience, we welcomed him back to the Program in 2006. During his tenure with the Program, Kyle was instrumental to the success of several brownfield projects, including the former Winona Hospital redevelopment highlighted in this newsletter issue.

Best Brownfields wishes to Kyle for all of his future endeavors.



## **Brownfield resources help overcome obstacles: former Winona Hospital becomes asset for The Children’s Museum of Indianapolis**

A variety of financial, liability, and technical assistance broke down barriers to redevelopment of a long-standing eyesore in the City of Indianapolis – the 4.19-acre former Winona Hospital located at 3232 North Meridian Street (Site). The Site’s long operational history resulted in a variety of environmental issues that needed to be addressed. From 1898 to 1969, all or a portion of the Site was used for residential purposes. In 1929, commercial activities began on part of the Site, including a dry cleaner and metalworking facilities that continued until 1969. In 1965, the Winona Medical Hospital (Winona) constructed a five-story 600,000-square foot hospital building and began operations on the Site. Additions to the facility were made in 1972 and 1982, and Winona operated on the Site until 2004. The City of Indianapolis (City) took ownership of the Site through back taxes in 2010.

With the location of the former hospital Site just north of The Children’s Museum of Indianapolis, and with the museum controlling 19 acres in the neighborhood, including two parcels adjacent to the Site, the museum expressed interest in the Site. The City agreed to a plan to transfer the Site to The Children’s Museum of Indianapolis for mixed-use redevelopment, such as residential and recreational uses, including multi-family housing, commerce, and an outdoor family learning center involving the nearby museum. Environmental issues needed to be addressed prior to any redevelopment activities.

Between 2010 and 2011, utilizing \$2.7 million in federal grant money, the City completed demolition of the former hospital building and removed all basements, foundations, a 20,000-gallon underground storage tank (UST), and asbestos containing materials (ACM). In 2011, the Indiana Brownfields Program (Program) used U.S. Environmental Protection Agency (U.S. EPA) Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) 128(a)

brownfield grant funding to conduct assessment work at the Site.

A Site Status Letter (SSL) dated January 23, 2012, was issued by the Program in response to the City’s request for assistance concerning the Site. The SSL clarified the position of the Indiana Department of Environmental Management (IDEM) on the necessity of an environmental response action at the Site. While the SSL is not a legal release from liability, it is used to help to establish whether environmental conditions at the Site might be a barrier to redevelopment or transfer. The Program determined that as long as the Site is maintained to uphold the land use controls discussed in the SSL, current Site conditions satisfy IDEM risk-based cleanup standards for residential and recreational use of the Site. The SSL



concludes that current Site conditions do not warrant a response action at the time and IDEM does not plan to take a response action at the Site. Additional Program assistance for Site stakeholders came in the form of a Comfort Letter (CL) dated June 10, 2012 in response to the request by T Rex Enterprises LLC (a development corporation created by The Children's Museum of Indianapolis), as the Prospective Purchaser of the Site. In the CL, IDEM addresses applicable limitations on liability for environmental conditions on the Site. Though not a legal release from liability, the CL provides specific information with respect to some of the criteria the Prospective Purchaser must satisfy to qualify for relief from potential liability related to hazardous substances contamination under the Bona Fide Prospective Purchaser (BFPP) exemption under

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CERCLA and Indiana Code (IC) § 13-25-4-8(b) (incorporating 42 U.S.C. § 9607(r)) and potential liability for petroleum contamination under the BFPP exemption under IC § 13-23-13 and IC § 13-24-1 (applying 42 U.S.C. § 9607(r) to petroleum contamination).

The Program supports the planned mixed residential and recreational redevelopment of the Site. While Site redevelopment is still in the early stages, plans include a possible sculpture park or other green space, and potential retail or office space fronting Meridian Street. The new development could be fully occupied by Spring 2014.

### Managing environmental liabilities

The Program attempts to eliminate liability concerns for stakeholders at sites where either an enforcement discretion policy or an exemption from liability based in statute applies. The Program also addresses the potential for the Indiana Department of Environmental Management (IDEM) to require a cleanup based on comparing site conditions to objective, risk-based standards found in the [IDEM Remediation Closure Guide Nonrule Policy Document](#) and [Remediation Program Guide \(RPG\)](#). The Program addresses these issues in either a Comfort Letter or Site Status Letter, which is made available under the [Brownfields Comfort/Site Status Letter Nonrule Policy Document](#).

**NEW:** The Program is requesting additional information be submitted with the [Brownfields Comfort/Site Status Letter Request Form](#). Please see [Brownfields Comfort/Site Status Letter Supplemental Information Request Form](#).

**ADVICE:** An AAI-compliant Phase I should be conducted prior to property acquisition. Please see <http://www.epa.gov/brownfields/aai/index.htm>.

Tenant liability and Institutional Controls issues are clarified in recently released U.S. EPA guidance documents found at the following web links:

<http://www.epa.gov/oecaerth/cleanup/revitalization/landowner.html>

<http://www.epa.gov/superfund/policy/ic/guide/index.htm>

## CALENDAR OF EVENTS

For up-to-date information about events relevant to brownfield redevelopment, please visit the Indiana Brownfields Program  
Web site: [www.brownfields.IN.gov](http://www.brownfields.IN.gov)

**February 7, 2013**

**[IACT Statewide Town Roundtable](#)**

Indianapolis

4:00 p.m. - 8:00 p.m. Eastern Time

**February 7, 2013**

**INTERNET SEMINAR: U.S. EPA CLU-IN Series - Interstate Technology and Regulatory Council (ITRC) Green & Sustainable Remediation (GSR)**

11:00 a.m.-1:15p.m. EST

Many state and federal agencies are just beginning to assess and apply green and sustainable remediation into their regulatory programs. This training provides background on GSR concepts, a scalable and flexible framework and metrics, tools and resources to conduct GSR evaluations on remedial projects. The training is based on the ITRC's Technical & Regulatory Guidance Document: [Green and Sustainable Remediation: A Practical Framework](#) (GSR-2, 2011) as well as ITRC's Overview Document, [Green and Sustainable Remediation: State of the Science and Practice](#) (GSR-1, 2011). For more information and to register, check out <http://www.clu-in.org/training/>

**April 3, 10, 17, 24, 2013**

**TRAINING (4 days): Indiana Office of Community & Rural Affairs (OCRA)**

**Community Development Block Grant 101**

Fort Benjamin Harrison, Indianapolis  
8:30a.m.-5:00p.m.

**May 15-17, 2013**

**The National Brownfields 2013 Conference**

Atlanta, GA

The Conference, cosponsored by U.S. EPA, is considered the largest and most comprehensive event in the nation that focuses on issues important to community revitalization and the assessment, cleanup and redevelopment of contaminated properties. Detailed information about the conference is available at <http://www.brownfieldsconference.org/en/home>.

**May 31, 2013**

**DEADLINE: Indiana Office of Community & Rural Affairs (OCRA) Community Focus Fund (CFF)/MSRP Applications**

<http://www.in.gov/ocra/2307.htm>



# Indiana Brownfields Program Staff Directory

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The Indiana Brownfields Program offers educational, financial, legal, and technical assistance and works in partnership with the U.S. Environmental Protection Agency and other stakeholders to assist Indiana communities in making productive use of brownfield properties.

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