

# Executive Summary

Skamania County initiated this effort to better understand the impact of brownfields in the community and to evaluate the potential for redevelopment around Rock Creek Cove, particularly on the former Hegewald Veneer Mill property. The project consisted of a Phase II environmental site assessment, county-wide brownfield site inventory, Vision-to-Action program, and U.S. Environmental Protection Agency Brownfields Community-Wide Assessment grant application. Funding was made available through the County's Economic Development budget and from a grant provided by the Center for Creative Land Recycling.

**Many people contributed to the success of this project. The County would like to acknowledge the following specifically:**



# 1 Introduction

## WHAT WAS ACCOMPLISHED

In October 2016, Skamania County (the County) initiated an effort to better understand the impact of brownfields in the community and to obtain more information about one brownfield site in particular: the former Hegewald Veneer Mill (Hegewald Site). To this end, the County was able to accomplish the following:

- Complete a Phase II environmental site assessment (ESA) for the Hegewald Site
- Create a preliminary brownfield site inventory for the County
- Complete a Vision-to-Action program for the Hegewald Site
- Prepare a U.S. Environmental Protection Agency (USEPA) Brownfields Community-Wide Assessment (CWA) grant application
- Determine a Redevelopment Pathway for the Hegewald Site, in particular, and brownfields in the county in general

### WHAT IS A BROWNFIELD?

Brownfield sites are abandoned or underused properties where there may be environmental contamination. Redevelopment efforts are often hindered by the liability for the cleanup or the uncertainty of cleanup costs. Brownfield sites that aren't cleaned up represent lost opportunities for economic development and for other community improvements.

*-Washington State Department of Ecology*

## SKAMANIA COUNTY

Skamania County, located in central southern Washington, is a rural community of approximately 11,200 residents. The county is bordered to the south by the Columbia River and reaches north into the Cascade Mountains and the Gifford Pinchot National Forest. The county was founded in 1854 and was a regional hub for booming fishing and lumber industries. Its location along the Columbia River opened the county to international trade of regional exports rooted largely in the area's wealth of timber and raw materials. In 1908, when the railroad was built through Stevenson, the county seat, the lumber industry thrived and dominated the county's economic activity for the next several decades, providing jobs for most of the local residents.

However, as the timber industry declined with the growing protections for endangered species, lumber mills closed and, by March 1993, more than a quarter of the county's employable

residents were out of work. Approximately 88 percent of the county is protected State and Federal land. Much of the remaining developable land area is located along the Columbia River, and were previously used for timber-related industrial processes that left the sites suspect for contamination. The County conducted this brownfield assessment and planning project in order to address brownfield concerns on sites with a high redevelopment potential and begin to imagine a new path forward.

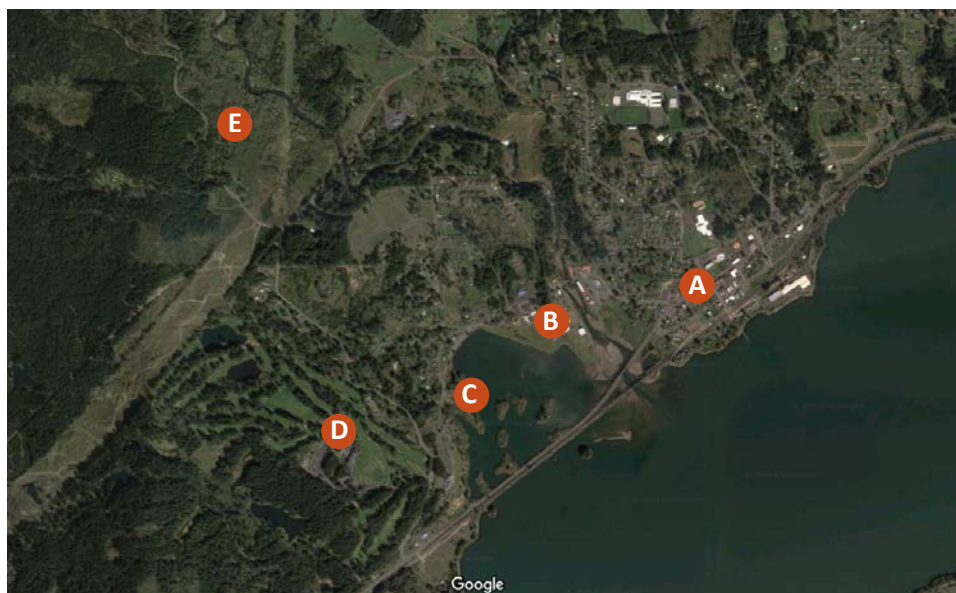
## THE HEGEWALD SITE

The Hegewald Site is currently owned by the County and is located on Rock Creek Drive between Skamania Lodge and downtown Stevenson, Washington. The 6.4-acre Hegewald Site forms a peninsula that projects into Rock Creek Cove. It was used as a timber-peeling plant from approximately 1950 to the early 1980s. The plant closed with the decline in the timber industry.

Much of the private and locally owned land in the county is restricted to development by lack of infrastructure and access as well as the Columbia Gorge National Scenic Overlay, which limits development outside recognized Urban Areas. The Hegewald Site therefore represents an important development opportunity for the County and the local community: it is a brownfield site with redevelopment potential located in the Stevenson Urban Area. It has waterfront access, a view of the Columbia Gorge, appropriate zoning for redevelopment (Commercial Recreation), access to general utilities, and has high visibility due to its location between Skamania Lodge and downtown Stevenson.

The primary barriers to redevelopment have been identified as: the potential for contamination, lack of a community-supported vision for a future use, and absence of a clear pathway to redevelopment. These issues were addressed in the County's initiative through the Phase II ESA, Vision-to-Action program, and Redevelopment Pathway, respectively.

**Figure 1. Map of Stevenson and Hegewald Site**



- A. City of Stevenson**
- B. Skamania County Fairgrounds**
- C. Former Hegewald Veneer Mill**
- D. Skamania Lodge**
- E. Gifford Pinchot National Forest**

Figure 2. Former Hegewald Veneer Mill



## 2 Phase II ESA

### PURPOSE

The Phase II ESA was conducted to evaluate the potential for environmental impacts associated with historical operations in selected areas of the Hegewald Site. The data generated were compared against Model Toxics Control Act (MTCA) cleanup levels (CULs) or Method B CULs for contaminants of concern to see if there were any exceedances.

### Historical Use

A timber-peeling/veneer facility operated on the Hegewald Site from approximately 1950 into the early 1980s. The facility was initially owned by the Hegewald Timber Company, Inc., and was purchased in the 1970s by Louisiana Pacific, which continued facility operations. Historical photographs indicate that the facility consisted of a large, factory-type building; a second, smaller structure of unknown use; and two wigwam burners. The wigwam burners appear to have been fed with woodwaste (sawdust, scraps, chips, etc.) obtained from the timber-peeling

work as well as from the timber-milling work Hegewald Timber Company, Inc. conducted on a nearby property to the west.

The Hegewald Site is currently vacant with some vegetation on the perimeter of the property. It is not utilized except for a small area where straw and horse manure from the County Fairgrounds are stockpiled. There are two concrete slab foundations left over from historical buildings, but no other historical development features appear to be present.

## Methodology

In order to assess whether there was any contamination on the Hegewald Site, ground-penetrating radar (GPR) was used to check for old infrastructure (e.g., tanks, tank pits, pipes, septic systems), and soil samples were collected from test pits and analyzed for metals, petroleum, and dioxins (contaminants that would be likely given the historic uses on the site). The GPR covered the entirety of the site. Ten test pits were dug on the site, with samples taken at various depths. The location of these test pits was determined based on the locations of historical features (e.g., former wigwam burner locations, former building locations, fill material locations).

## FINDINGS

The results of the GPR and test pit sampling are as follows:

- The GPR found no tanks on the site.
- There were no field-observed impacts in soil.
- Petroleum was not detected in the soil samples.
- Some metals and dioxins were detected in the soil, but not above the MTCA Method A or Method B soil CULs.

**In conclusion, no further investigation was considered warranted or was recommended.**

# 3 Brownfield Inventory

## PURPOSE

A preliminary brownfield inventory was conducted by windshield survey and through research into the USEPA brownfield and Washington State Department of Ecology's Environmental Information Management (EIM) database. The windshield survey covered all developable parts of the county that were not zoned for residential uses. This preliminary inventory provides a general understanding of brownfields in Skamania County. The inventory recorded the following for each parcel:

- Parcel Number

- Property Owner
- Address
- Size
- Zoning
- Brownfield Status (Non-Suspect, Unknown, Suspect, Known)

This analysis helped the County understand which properties had the most redevelopment potential. Parcels that were large, County-owned, and zoned to accommodate a mix of uses had the highest potential return on investment. Sites determined to have the most redevelopment potential (including the Hegewald Site) were included in the CWA grant application as examples of sites where grant funding for environmental assessment and redevelopment planning would yield the greatest benefit to the community.

## FINDINGS

The table below summarizes the findings from the brownfield inventory. All of the parcels in this analysis are located in Skamania County and are potentially redevelopable (in that they are not located on protected land) and are outside of residential zones.

**Table 1. Preliminary Brownfield Inventory Summary**

Brownfield Status	Total	Size (acres)		Zoning (percent of land area)			
		Total Acres	Median Size	Commercial	Mixed Use	Industrial	Public Recreation / Other
Non-Suspect	325	713.68	0.33	84%	3%	8%	5%
Unknown	53	391.28	1.56	90%	10%	0%	0%
Suspect	39	155.79	0.51	80%	20%	0%	0%
Known	30	405.31	1.59	7%	88%	0%	5%

### Definitions

Non-Suspect: Not listed in the Washington State Department of Ecology’s (Ecology) Environmental Information Management (EIM) database or the USEPA’s brownfield database. No visible indications of a prior use that could be associated with contamination.

Unknown: Not listed in the EIM or USEPA brownfield database and could not be seen from the road during the windshield survey.

Suspect: Not listed in the EIM or USEPA brownfield database, but had visible indications of a prior use that could be associated with contamination.

Known: Listed in the EIM or USEPA brownfield database.

Based on Table 1, it is evident that there is a lot of available developable land in Skamania County that requires little to no environmental assessment in order to be shovel-ready. Most of this land is already zoned for commercial and mixed-use development, and would be attractive to developers looking to build a mix of uses in the Columbia River Gorge. The full results of this preliminary inventory were provided to the County as a geodatabase.

# 4 Vision-to-Action

## PURPOSE

Vision-to-Action is an interactive tool developed for the USEPA to help communities generate momentum and focus on the sustainable redevelopment of brownfields. Skamania County partnered with the Center for Creative Land Recycling to fund this program for the Hegewald Site. The program consists of two community meetings and strategic planning from a consultant team. The first meeting was structured as an interactive workshop where the community was asked to brainstorm ideas for future redevelopment, identify common themes, and develop a list of prioritized uses by creating their own visions using simple art supplies. These ideas were translated into an artistic rendering of the site.

At the second workshop, the rendering was presented to the community, along with the results of a strengths, weaknesses, opportunities, and threats analysis and the Phase II ESA. As requested by the community, a planning exercise was conducted that took a wider view of Rock Creek Cove to understand how the prioritized uses identified during the first meeting could be distributed around the cove. Participants also had an opportunity to create new uses that might have been overlooked during the first meeting.

## FINDINGS

### Meeting #1

*NOVEMBER 30, 2016*

*ATTENDEES: 24*

The eight prioritized uses (in order of preference) were as follows:

1. Public Access/Trail
2. Water Access (dock, fishing, nonmotorized-boat launch)
3. Residential
4. Mixed Use
5. Retail
6. Other Lodging
7. Restaurant
8. Camping/Glamping

## Meeting #2

JANUARY 27, 2017

ATTENDEES: 18

During the planning exercise for Rock Creek Cove, attendees were given three questions to discuss as a small group. Below are the questions and the themes that emerged from the responses:

- What is the first (i.e., highest priority) use that the group decided on?
  - Water Access (nonmotorized boat launch)
  - Public Trail Access
- What uses did you include that did not come from the first meeting?
  - Event Space/Shelter
  - Cultural/Historical Monument
- Are you willing to trade some control over the redevelopment outcome in exchange for a quicker result?
  - Low-cost development (e.g., glamping) could be an interim use preceding full redevelopment.
  - Maintaining public access to an improved waterfront is worth waiting for.

Mixed use was the most popular land use suggested for the Hegewald Site. Generally, most participants imagined residences above a restaurant, café, or use tied to water recreation.

# 5 Community-Wide Assessment Grant

## PURPOSE

CWA grants provide funding for developing inventories of brownfields, prioritizing sites for assessment, conducting community involvement activities, conducting site assessments, and cleanup planning related to brownfield sites. If obtained, this grant would provide \$300,000 in funding to conduct Phase I and Phase II ESAs on some of the other known and suspected brownfield sites identified during the brownfield inventory, create a sub-area plan for Rock Creek Cove, and continue community involvement efforts.

**CWA grant recipients will be announced in spring 2017.**



# 6 Redevelopment Pathway

This section outlines steps recommended to implement the vision developed in the Vision-to-Action workshops. These are recommendations based on best practices and experiences with similar projects. As such, they are not necessarily prescriptive, nor are they iterative, the County should proceed according to their own internal processes and in response to the opportunities presented. Implementation steps are outlined specifically for the Hegewald Site and for the Rock Creek Cove in general.

## HEGEWALD SITE

The following steps are recommended to move the property toward disposition to a private development entity.

### Step 1: Property Marketing

The County should initiate a set of informal property-marketing actions, including setting up a development opportunity website, developing materials that clearly communicate the opportunity available on the Hegewald Site, drafting press releases on the planning work to-date, and hosting informal tours with developers.

### Step 2: Establish Terms of Sale & Public-Private Partnership

Terms of sale determine the conditions the County may want to impose on the sale of the property to help guide future use and development to closely match that identified in the Vision-to-Action workshops. These conditions may include provisions for public access, setbacks from the waterfront (if not otherwise determined by the zoning), and requirements for placement of amenities. It should be noted that there is always a tradeoff involved: more restrictions on development and conditions of operation can lead to decreased interest in the property and more difficult sales negotiations.

A Public-Private Partnership is also a useful tool if a public development or amenity is going to be included on the property. For instance, a park or boat launch on the property may require public investment if it is going to be maintained for public access on what will likely become private property. This partnership can be enticing for a developer who is looking for an incentive to invest in the private development component of the property.

### Step 3: Contract with a Commercial Broker

This is also an optional step if the County does not have the capacity to manage the negotiation and sale of the property to a private party. Commercial brokers most typically work on a commission basis – percentage of sale value – paid after the close of the sale. In some cases, they can work on a time and materials (or similar) basis to support additional marketing and disposition tasks.

## Step 4: Issue Request for Information or Request for Qualifications for Developer

The Request for Information (RFI), Request for Qualifications (RFQ), and Request for Proposals (RFP) are the standard forms of formal solicitation for a public entity. The degree of formality and commitment increases in degree from the RFI to RFP. In this case, we recommend starting with an RFI or RFQ to help focus outreach and gain a better understanding of interest from the development community without demanding a high level of effort or committing the County to a specific outcome through the RFP process. The RFI or RFQ processes also increase the odds of a broader and higher rate of response. The process may not produce a development partner, but can at least provide the county with a good sense of the level and type of interest in the property.

## Step 5: Agree on Disposition of Development Agreement

The Disposition of Development Agreement (DDA) is the document that enforces the terms of sale established in Step 2. This is the formal mechanism through which County objectives are memorialized (e.g. codifying issues that are important to the community, like height limitations) and the developer is provided with certainty on key elements such as developable land area. The DDA establishes who is responsible for specific actions and investments as well as the timeline over which these actions and investments will occur.

## Step 6: Identify funding for public components

If public amenities and improvements are expected, the County will need to obtain funding for design and construction. The State has several programs available, which are outlined in the funding options table, below.

# ROCK CREEK COVE AREA – STEPS FORWARD

## Step 1: Identify Champion(s)

Project champions are people who act as the main figurehead(s) of the project until completion. Project champions ensure that the project remains relevant to and in the forefront of the minds of the local community members, stakeholders, and decision makers. Long-term development projects (such as the realization of a sub-area plan; see Step 2) can lose saliency over time, which can translate into a loss of priority for funding the component parts (planning, infrastructure, analysis, etc.). Projects that lose their steam might never be completed. Project champions take on the responsibility of ensuring that all of the relevant stakeholders are on board as the project progresses. They can also be in charge of:

- Communicating the project's strategic objectives and relating those to the goals of other stakeholders
- Ensuring that the vision for the project is successfully translated into the requirements and plans that regulate the area
- Analyzing and implementing best practices
- Anticipating and eliminating obstacles that will threaten the project's viability
- Keeping stakeholders updated on the status of the project and celebrating all progress, small and large

- Continuing to engage the community and foster community buy-in by giving them a stake in the project's success

## Step 2: Complete a Sub-Area Plan

Sub-area plans provide a framework for future development of areas of interest within a jurisdiction (waterfronts, central business districts, etc.). Sub-area plans are rooted in a community vision for the area as articulated by guiding principles or project goals and can be used to address community preferences in terms of land use and design, open space, economics, and transportation. For Skamania County, three elements will be of particular importance:

- Use and design standards: The community expressed a preference through the Vision-to-Action meetings for maintaining the small-town feel of their community in the scale and design of future development. The sub-area plan can address preferences for types of uses, height limitations, and design.
- Market analysis: A market analysis is an important component that can check the desires of the community against the capacity of the market to find the most suitable uses for a particular site and create a strategy for redevelopment.
- Circulation plan: It is important to understand how people will move to and through the area, including existing impediments to access. A circulation plan can address how pedestrians, cyclists, public transit, and automobiles can access the area and how these different forms of transportation will interact with one another.

## Step 3: Create a Redevelopment Opportunity Zone

Redevelopment Opportunity Zones (ROZs) open up new funding opportunities and give the zone a priority status for funding. ROZs also provide access to new tools for redevelopment that are authorized for use only in these zones, such as a Prospective Purchaser Agreed Order<sup>1</sup> and mixed funding.<sup>2</sup> According to RCW 70.15D.150, "A city or county may designate a geographic area within its jurisdiction as a redevelopment opportunity zone" so long as the following determinations and commitments are met and the city council adopts a resolution attesting to this fact:

1. At least 50 percent of the upland properties in the zone are brownfield properties, whether or not they are contiguous.
2. The upland portions of the zone consist entirely of parcels of property owned by either the city or the County, or whose owners have provided consent in writing to have their property included in the zone.
3. The cleanup of brownfield properties will be integrated with planning for the future uses of the properties and is consistent with the comprehensive land-use plan for the zone.
4. The proposed properties lie within the incorporated area of a city or within an urban-growth boundary.

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<sup>1</sup> A Prospective Purchaser Agreed Order provides greater protection and expediency for innocent parties to take on brownfield properties than tools currently available in Washington State.

<sup>2</sup> Mixed funding allows Ecology to provide funding to private and nonprofit parties through a Prospective Purchaser Consent Decree where public benefit can be demonstrated.

To establish a ROZ, the County would need to create a boundary and ensure that all properties within that boundary meet the eligibility criteria. The ROZ requires written consent of all property owners within the boundary and approval of city council.

#### **Step 4: Identify and Obtain Funding**

The developable properties in the county could benefit from a variety of funding sources, depending on the purpose of that funding (brownfield assessment and cleanup, economic development, and community planning). Below is a list of funding resources broken down by category, with a brief description of the purpose of the program and the amount of funding available.

<b>Brownfield Assessment and Cleanup</b>		
USEPA Cleanup Grant	Grants to provide funding for the cleanup activities on applicant-owned brownfield sites.	Up to \$200,000 per site. Up to three sites.
Ecology Oversight Remedial Action Grants	Grants for local governments to fund remedial investigations and cleanup actions.	No maximum. 50% match, with opportunities to decrease to 10%.
<b>Parks and Trails</b>		
U.S. Fish and Wildlife Service	Grant to construct, renovate, and maintain boating facilities.	Maximum of \$100,000 for small projects.
<b>Economic Development</b>		
EDA Economic Adjustment Assistance Program	Activities such as developing and updating a community economic development strategy (CEDS) and for implementing the CEDS by carrying out projects for site acquisition, preparation, construction, rehabilitation, technical assistance, market, or industry research and analysis, and other activities set out in 13 CFR 307.3.	Average project award: \$570,000. 50% match but may be adjusted.
EDA Planning Program	Development, implementation, revision, or replacement of CEDS and related short-term planning investment.	Unknown funding limit. 50% match but may be adjusted.
USDA Rural Business Opportunity Grant Program	Promotes sustainable economic development in rural communities with exceptional needs. Funds economic planning for rural communities and businesses as well as for the training of rural entrepreneurs and economic development officials.	\$100,000 maximum.
USDA Rural Business Enterprise Grant Program	Provides funds to public bodies and private nonprofit corporations for projects designed to finance and facilitate the development of small and emerging private or nonprofit businesses. Funding can be used for business district infrastructure projects, capital improvement projects, business incubators, and downtown revitalization projects.	Grants generally range between \$10,000 and \$500,000.
CERB Planning Projects	Funding for studies that evaluate high-priority economic development projects. Projects should target job growth and long-term economic prosperity.	\$50,000 maximum. 25% match.

CERB: Community Economic Revitalization Board

EDA: Economic Development Association

USDA: U.S. Department of Agriculture

