April 29, 2016

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1595 Wynkoop Street
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SUBJECT: South Platte RiverPlace Initiative Brownfields Assessment Grant
USEPA Grant Number BF96835401-0
CFDA No. 66.818
Quarterly Progress Report
2nd Federal Fiscal Quarter 2016 (January through March 2016)

In accordance with EPA regulations 2 CFR Parts 200 and 1500 (specifically, 200.328 monitoring and reporting program performance), the City and County of Denver Brownfields Program (DBP) has prepared a quarterly progress report for the second federal fiscal quarter of 2016 (Q2 2016, January through March 2016).

PROJECT DESCRIPTION:

On August 12, 2015, the City and County of Denver (CCoD) was awarded and the cooperative agreement was approved for a $400,000 Brownfields Assessment Grant from the U.S. Environmental Protection Agency (EPA) to launch the South Platte RiverPlace Initiative (SPRI), which is a community wide brownfields assessment grant program to conduct environmental site assessments and cleanup planning on brownfield redevelopment properties within an 11-mile South Platte River corridor with a half mile buffer on either side. The SPRI seeks to assist in the transformation of sections of the river corridor into vital community resources where access to nature, economic development, housing and an emerging rail transit system contribute to the sustainability and livability of the area. Specific properties are selected from developer submitted applications where the developer has plans to redevelop the property and generally are in the process of acquiring the property.

The DBP formed the SPRI Steering Committee comprised of members from multiple CCoD agencies and augmented with representatives from the Colorado Division of Oil and Public Safety (OPS) and the Colorado Department of Public Health and Environment (CDPHE), local community members, and stakeholders. The objective of the SPRI Steering Committee is to 1) evaluate site information, 2) approve individual sites, and 3) prioritize sites using the criteria for site selection.

Criteria for site selection includes:

- In line with existing community plans
  - Conformance with adopted City plans;
  - Target transit oriented development (TOD) sites, affordable housing, or employment centers;
  - Located within corridor boundaries;
  - Level of neighborhood outreach;
  - Degree of community support;
  - Incorporation of appropriate South Platte Corridor Study elements into site design plans; e.g. urban design, green infrastructure, river activation, and connectivity;
  - Amount of funding;
- Budget constraints and percentage of funds directed towards one site;
- Details as to the anticipated scope of work to be performed, if known;
- Ability to leverage other resources; and
- The extent to which redevelopment funding has been secured.

- Site development feasibility and project readiness
  - Site control and property owner granted access;
  - Timing for redevelopment;
  - Catalytic potential and beneficial impact on surrounding area; and
  - Economic feasibility and project readiness:
    - May include conceptual plans, business plan, or other planning or market analysis documents.

The DBP will assess potential contamination at selected brownfields sites on both public and private property and, when feasible and appropriate, will conduct cleanup planning on the sites if hazardous substances and/or petroleum are found. Potential assessment sites may involve Phase I and Phase II Environmental Site Assessment (ESA) and cleanup planning. Additionally and as appropriate, the DBP will conduct asbestos and lead-based paint surveys of site buildings involved in demolition or renovation activities apart of redevelopment plans. A new Phase I ESA will not be required where an existing Phase I ESA that meets the All Appropriate Inquiry provisions is available and obtainable.

**SCHEDULE:**

The DBP continues to receive applications and identify potential projects. Through March 31, 2016, the DBP had received a total of two assessment applications and has approved two sites for assessment activity through the same date.

As of March 31, 2016, the DBP and the EPA had approved and allocated hazardous substance grant funding for the following sites:

- Platte Street Project located at 1701 Platte Street in Denver, CO
- Washington Street Project located at 601 East 45th Avenue in Denver, CO

In the subsequent quarter, DBP received and approved a SPRI application on April 11, 2016 for a four city block Brighton Boulevard project near the 38th Avenue and the Blake commuter rail station. The DBP is currently awaiting EPA’s site eligibility determination. Additional information related to this application will be reported in the third federal fiscal quarterly report of 2016.

**BUDGET SUMMARY:**

The total assessment grant budget of $400,000 includes $200,000 each of hazardous substance and petroleum funding. Based on previous experience, six hazardous substance sites and six petroleum sites are budgeted as the targeted number of sites for assessment activities for a total of 12 sites. The actual number of sites will vary depending on the scopes of work.

Through March 31, 2016, The DBP has approved $52,500 in eligible grant funds for projects plus EPA-approved pre-award travel and supply costs of $4,562.49 for a total of $57,062.49 or approximately 14% of the total $400,000 budget. A summary table showing grant activities for Q2 2016 is included as an attachment in this submittal.

**SITE ASSESSMENTS:**

**Platte Street Project, USEPA ACRES Property ID 207481:**

In October 2015, the DBP received an application for funding assistance to conduct Phase I and Phase II ESAs for the property located at 1701 Platte Street in Denver, CO. The SPRI Steering Committee approved funding for the Phase I ESA, but funding for the Phase II ESA was contingent upon resolution of a property ownership dispute. The Phase I ESA was completed by Ninio and
Moore and the Phase I ESA report was finalized on January 15, 2016. The Phase I ESA identified the following recognized environmental conditions (RECs):

- The demolition of various former residential, commercial and industrial buildings prior to the 1950s. Based on the age of these former buildings and the timing of their demolition prior to current regulatory standards for demolition, it is likely that asbestos containing material (ACM) may be present in the shallow soils, or that backfilled basement spaces may exist in the subsurface.

- Historical industrial activity at the site and in the vicinity may have impacted the site.

The Phase I ESA also revealed the following environmental concern:

- The site vicinity is known to contain coal-based fill in the subsurface. The coal-based fill is not considered a hazardous waste, and therefore is not considered a REC. The nature of the fill; however, is such that it requires off-site disposal as a “special” waste.

Based on the Phase I ESA findings, Ninyo & Moore prepared a proposal to prepare a Sampling and Analysis Plan (SAP) and subsequently perform a limited Phase II ESA. The Phase II ESA is currently on hold until property ownership between the CCoD and Colorado Department of Transportation can be clarified.

Washington Street Project, USEPA ACRES Property ID 207421:

In November 2015, the DBP received an application for funding assistance to conduct Phase I and Phase II ESAs for the property located at 601 East 45th Avenue in Denver, CO. The DBP Steering Committee approved funding for both the Phase I and Phase II ESAs. The Phase I ESA was completed by Terracon and the Phase I ESA report was finalized on January 26, 2016. The Phase I ESA identified the following RECs:

- The historical presence of an automotive service/filling station on-site;

- The historical presence of a filling station on the south adjoining property;

- The historical presence of an automotive service/filling station on the up-gradient west adjoining property;

- The historical presence of a filling station approximately 60 feet north of the site;

- The historical presence of multiple machine/metal shops within 220 feet southwest, south, and southeast of the site;

- The historical presence of multiple automotive repair shops within 300 feet south and southeast of the site;

- The occurrence of a gasoline spill on-site in 2015;

- The proximity of the site to the Vasquez Boulevard and I-70 Site;

- The historical presence of a dry cleaning facility approximately 500 feet west and up-gradient with respect to the site;

- Ongoing automotive maintenance onsite; and

- Staining and evidence of releases associated with on-site automotive fluid storage.

Based on the Phase I ESA findings, Terracon prepared a SAP which EPA approved on January 26, 2016 and subsequently completed a Phase II ESA and finalized the Phase II ESA report on March 22, 2016.
Terracon installed six soil borings which were converted into groundwater monitoring wells and collected soil and groundwater samples for laboratory analysis. Soil and groundwater sample results did not exceed applicable regulatory standards with the exception of arsenic in soil; however, arsenic concentrations (2.3 to 8.41 milligrams per kilogram [mg/kg]) in soil were within background ranges designated by CDPHE. Based on the Phase II ESA results, Terracon recommended development of a Materials Management Plan (MMP) to be utilized during site redevelopment. No additional grant-funded assessment is planned for this project.

**OTHER GRANT ACTIVITIES COMPLETED TO DATE:**

- Under the community involvement effort, the DBP developed a grant specific webpage on the devergov.org website and marketing materials associated with the SPRI which included the SPRI application, a SPRI information flyer, a DBP brochure and banner, and a National Western Center brochure. The EPA approved $5,000 pre-award costs associated with the SPRI website development; however, in an effort to conserve grant funding and to contribute to the successful transformation of the river corridor, development of the website and marketing materials were funded by CCoD’s Department of Environmental Health, Division of Environmental Quality (EQ).

- The DBP formed a SPRI Steering Committee to evaluate project applications based on the ability to meet the intersection of need and opportunities as well as other criteria including congruence with existing community plans and neighborhood needs, amount of funding requested, and site development feasibility and project readiness. The Steering Committee is comprised of members from multiple CCoD agencies including Dave Wilmoth (EQ), Agatha Linger (EQ), Michael Miera (Office of Economic Development), Bar Chadwick (Department of Finance), Tim Watkins (Community Planning and Development), and augmented with Tim Kelley (OPS), Fonda Apostolopoulos (CDPHE), Tangier Barnes (Groundwork Denver), rotating local developers including Paul Tamburello (GENERATOR) and Susan Powers (Urban Ventures) and rotating community representatives. The DBP developed internal written procedures for the SPRI Steering Committee to follow during the site selection process. These procedures include member responsibilities, rules of engagement and the decision making process.

- On September 2-4, 2015, several members of the DBP attended the 2015 National Brownfields Training Conference in Chicago, Illinois to market the SPRI and other brownfields redevelopment opportunities within the CCoD. Mr. Dave Wilmoth participated in a presentation with Urban Land Conservancy and the City of Cheyenne, “Brown to Green in the Wild West, Regional Green Infrastructure Solution”. Based on follow-on attendee discussions and the number of audience questions, the presentation appeared to be well received. DBP had a conference booth to market brownfields redevelopment opportunities, highlight major infrastructure and redevelopment projects, and provide information on program resources to a broad swath of the redevelopment community.

  In an effort to conserve grant funding, conference associated costs were funded by the CCoD with the exception of travel and lodging costs for Dave Wilmoth and Agatha Linger which were funded by SPRI grant funds. The EPA approved $3,500 pre-award costs associated with conference travel and the DBP utilized $3,464.79 of the grant fund. Michael Miera with the DBP and Zach Clayton and Lisa Clay with EQ also attended the conference, but did not utilize SPRI grant funds.

- The DBP prepared and submitted a draft Quality Assurance Project Plan (QAPP) for the SPRI to the EPA for review and approval. The intent of the QAPP is to provide generalized guidance for quality assurance during investigation activities. The QAPP was developed internally by EQ and third-party reviewed for quality assurance by MECx prior to submittal to EPA. The QAPP was subsequently approved by the EPA and finalized on August 5, 2015. The EPA approved $550 pre-award costs associated with MECx’s third-party QAPP.
review, but the DBP utilized $1,097.70 of the grant fund. It should be noted that the pre-award budget was not exceeded despite the cost overage associated with the QAPP.

COMMUNITY INVOLVEMENT:

Community involvement was a critical element in the development of the South Platte Corridor Study and provides a valuable reference as the CCpD continues its efforts to move from area-wide planning to encouraging socially responsible development. In addition, the extensive pre-grant proposal community outreach formed substantial relationships with community members and groups which will be further developed as the grant is implemented. In order to communicate project status and community feedback, the SPRI community involvement strategy included the following activities during Q2 2016:

- On December 17, 2015, Dave Wilmoth met with Susan Borden with LTE and Bill Parkhill with Parkhill Development to explore the feasibility of submission of the Brighton Boulevard project application.
- On January 27, 2016, Dave Wilmoth attended the Trihydro Corporation Brownfield Networking event to promote the SPRI project.
- On February 9, 2016, Dave Wilmoth, Agatha Linger, Michael Miera and Tim Watkins with the SPRI Steering Committee, met with Louis Kolker with CCpD’s Business Development, to discuss the Brighton Boulevard project application with respect to the 38th and Blake Station area proposed height amendments as the project application proposes building heights that exceed the currently approved height limits.
- On February 16, 2016, Dave Wilmoth participated in a panel discussion on metro area development for the Commercial Real Estate Women (CREW) Denver Chapter luncheon. Projects discussed by the panel included the Sterling Ranch development and Stanley Aviation redevelopment. Dave Wilmoth highlight brownfields redevelopment occurring in Denver and the SPRI.
- On March 14, 2016, Dave Wilmoth met with Hyde Development, headquartered in Minneapolis, Minnesota, to discuss brownfields redevelopment opportunities in Denver. Hyde Development was established in 2012 to redevelop, own and manage sustainable buildings on brownfield sites. The principles have been involved in several successful brownfields redevelopment projects in Minnesota since 1995. Hyde is interested in industrial zoned properties greater than five acres. Several properties of interest are located within the SPRI project boundaries.

OUTPUT AND OUTCOME MEASURES TO DATE:

A summary table showing grant output measures is included as an attachment in this submittal. As reportable information is made available, the DBP will also evaluate and report on outcome measures.

The DBP will utilize SiteStats™, an economic and fiscal impact analysis tool, to help evaluate grant outcomes, such as economic benefits, public revenues and public costs. Using specific project information, SiteStats™ generates economic and fiscal impacts resulting from project construction, residents, business operations, and visitors on an annual basis over a ten-year period. To date, necessary input parameters are not sufficient to utilize SiteStats™; however, the tool will be used as the projects progress and input information becomes available.

UPCOMING GRANT ACTIVITIES:

The DBP continues to receive new assessment grant applications and continues to oversee activities associated with the active projects described in this submittal. The DBP has received and approved another application (Brighton Boulevard project) in April 2016. Activities completed from
April 2016 through June 2016 will be summarized in the Q3 2016 Quarterly Progress Report which will be submitted to the EPA by July 2016.

Members of the DBP are planning to attend the EPA Western Brownfield Workshop in San Francisco, California on September 28-30, 2016 (Q4 2016) hopefully to share experiences and lessons learned with other municipalities and brownfields stakeholders on the SPRI and other brownfields redevelopment opportunities and successes associated with grant fund assistance.

Additionally, the DBP will be partnering with the Kansas State University TAB program to provide the following:

- Serve as a resource and point of contact for property owner engagement to 1) understand brownfields redevelopment process, 2) assist in understanding the management of property owner liability concerns, and 3) assist in understanding the benefits of unique partnerships and how redevelopment can provide a win-win proposition.

- Act as a key third-party expert that can help to mitigate community apprehension and concern about risk-based environmental cleanup approaches for redevelopment sites by providing technical assistance materials that explain cleanup concepts generally, possible cleanup approaches at a specific redevelopment site, and how public health remains protected with these approaches.

- Provide a brownfields 101 type training presentation to the local development/business community on strategies, approaches, case studies, and private sector investment benefits in brownfields redevelopment.
Q2 2016 GRANT FUND ACTIVITY TABLE
<table>
<thead>
<tr>
<th>Name of Assessment Project</th>
<th>Status</th>
<th>Funding Type</th>
<th>Estimated Project Budget</th>
<th>Project Savings Available for Future Projects</th>
<th>Committee Approved Date</th>
<th>SAP Approved Date</th>
<th>AAI Checklist Date</th>
<th>Contractor</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Platte Street Brownfield Project</td>
<td>Active</td>
<td>Hazardous Substance</td>
<td>$2,500.00</td>
<td></td>
<td>10/29/2015</td>
<td>11/10/2015</td>
<td></td>
<td>Ninyo &amp; Moore</td>
<td></td>
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<tr>
<td>Washington Street Brownfield Project</td>
<td>Active</td>
<td>Hazardous Substance</td>
<td>$50,000.00</td>
<td></td>
<td>11/30/2015</td>
<td>12/16/2015</td>
<td>1/26/2016</td>
<td>Terracon</td>
<td>Phase I, SAP, Phase II, ACM survey</td>
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</tbody>
</table>

Total: $52,500.00

Counts:
- Active: 2
- Inactive: 0
- Complete: 0

Total Funds Drawn:
- Assessment Activity Complete - Awaiting Final Invoices: 0

Committed Amounts: Reimbursed Amount

Savings from Previous Projects:
- NBC travel: $3,464.79
- QAPP development: $1,097.70
- Petroleum Funds ($200,000 Budget): $197,718.76
- Hazardous Funds ($200,000 Budget): $145,218.76
- Total ($400,000 Budget): $342,937.51

Percent committed funds: 14%

*Non-project specific costs, such as travel and QAPP development, are allocated between the Petroleum and Hazardous Substance budgets.
## South Platte RiverPlace Initiative

**Grant Outputs and Outcomes Table**

Revision date: April 29, 2016

<table>
<thead>
<tr>
<th>Name of Assessment Project</th>
<th>Address</th>
<th>ACRES ID</th>
<th>Property Acres</th>
<th>Grant funds expended</th>
<th>Number of Jobs Created</th>
<th>Remediated/NFA Site Redeveloped</th>
<th>Acres Redeveloped</th>
<th>Affordable Housing Units Created</th>
<th>Community Health Facilities Created</th>
<th>Increase in City Revenues</th>
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<tbody>
<tr>
<td>1. Platte Street</td>
<td>1701 Platte Street</td>
<td>207481</td>
<td>0.56</td>
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<tr>
<td>2. Washington Street</td>
<td>601 E. 45th Avenue</td>
<td>207421</td>
<td>0.9</td>
<td>$49,545</td>
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<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

NFA: No Further Action

TBD: To be determined as reportable information is made available during the redevelopment process.