HONOLULU'S TOD BROWNFIELDS ASSESSMENT GRANT PROGRAM
FREQUENTLY ASKED QUESTIONS
April 2020

Q: What is the City and County of Honolulu's Transit-Oriented Development (TOD) Brownfields Assessment Grant?
Honolulu received two grants, totaling $700,000, from the U.S. Environmental Protection Agency (EPA) to help identify brownfields in the neighborhoods near the future rail stations. The goal is to help enable TOD, which is compact development within walking distance of a transit station.

Q: Why is this grant only focused on brownfields within the rail corridor?
The rail station neighborhoods are anticipated to experience more development as a result of the rail project. The majority of land in these neighborhoods has already been developed. Encouraging redevelopment of lands will help property owners achieve a higher and better use of their land, fulfill the visions of the neighborhood TOD plans, and support rail transit ridership.

Q: What is a brownfield?
A brownfield is real property that may have the presence, potential presence, or simply the perception of impacts to the property from hazardous substances, pollutants, or contaminants. Any of these conditions can complicate the development or reuse of properties by raising liability concerns among potential lenders, developers, or buyers.

Q: What are common examples of brownfield properties?
Common examples of brownfield properties include older or abandoned gas stations, automobile service shops, dry cleaners, junkyards, former or old industrial/manufacturing facilities, warehouses, maintenance sites, landfills, buried fuel tanks, pesticide mixing areas, and old transportation terminals. However, brownfields can also include land adjacent to or downhill from these types of properties, along pipeline corridors, near older buildings that contain asbestos or lead based paint, or sites of former drug labs.

Q: How do I determine if a property is a brownfield?
A Phase I Environmental Site Assessment (ESA) can be conducted to determine the potential presence of contamination on a property. Quite often a Phase I ESA yields a finding that a property has no contamination issues to address. In other cases, it may indicate the need for a Phase II ESA to be conducted to analyze soil and other site materials to confirm the presence and extent of specific contaminants.

Q: What are the benefits of brownfield redevelopment to property owners in the TOD area?
- The opportunity to realize a higher return on property due to its proximity to a new rail station.
- The opportunity to take advantage of new TOD zoning that may allow more density, new land uses, and/or relaxed parking requirements.
- Avoiding potential environmental enforcement actions by federal and state regulatory agencies that could impose penalties and costly cleanups.
- Potentially receiving tax benefits or public funds for cleaning up and reusing the property.
- Reducing the likelihood that contamination from the property will migrate off-site or into the groundwater under the site, which would potentially further increase liability.
- Creating goodwill within the community, which may help support future development proposals that require public input.

Q: Why should I try to investigate if a property I own or am interested in developing is potentially a brownfield?
Potential liability associated with environmental contamination on a property can delay redevelopment, and lending institutions typically require a Phase I ESA before lending money for property acquisition and/or redevelopment. As a property owner, environmental liabilities could be exacerbated over time and potentially pose a health or environmental threat to neighboring properties. This brownfields grant provides an opportunity to perform a Phase I and/or Phase II ESA, which can provide a planning information for future site uses.

Q: What will the City's TOD Brownfield Assessment grant do?
The City's EPA brownfields grant provides funding for a qualified environmental consultant to prepare a Phase I and/or Phase II ESA for property owners wishing to redevelop their land within TOD areas in a manner consistent with the City's TOD plans for the area. The EPA grant will also fund a limited number of clean-up plans for selected brownfield properties.

Q: What is a Phase I Environmental Site Assessment?
A Phase I ESA is primarily an effort to research current and past uses of a property with respect to potential contaminants. The assessment includes an inspection of the property to observe current uses and conditions, research of historical records, analysis of local soil and groundwater conditions, and a review of regulatory databases and agency files for information regarding the use, storage, and known or possible releases of hazardous substances and/or petroleum products on a property, as well as adjacent and nearby properties that could negatively impact the subject property. A Phase I ESA typically does not involve testing of site soils, water, air, or building materials.

A Phase I ESA is considered the first step in the process of environmental due diligence. The scope of work for a Phase I ESA is based on the EPA's All Appropriate Inquiry (AAI) requirements (see definition below). If the Phase I ESA results indicate there is known or potential contamination, the assessment of the site would proceed to a Phase II ESA. If the Phase I finding is negative, the property owner can proceed with redevelopment or a sale transaction without worrying about liability for brownfield contamination. Nationally, about 30 percent of Phase I ESAs funded through this EPA grant determine there are no brownfield issues to address.

Q: What is a Phase II Environmental Site Assessment?
A Phase II ESA consists of collecting and analyzing samples of soil, sediment, soil vapor, air, surface water, and/or groundwater to evaluate if hazardous substances or petroleum products have been released onto a property and, if so, in concentrations that warrant further investigation. Phase II ESAs determine the full scope of the impacts and possible corrective actions to reduce the resulting threats to human health and the environment. A Phase II ESA should determine the extent of contamination, the type of probable sources of contamination, the level of risk to humans and the environment associated with the contamination, and whether the contamination needs to be cleaned up based on a particular property's planned reuse.

Q: What is meant by "All Appropriate Inquiry" (AAI)?
All Appropriate Inquiry (AAI) is an environmental site assessment that meets the requirements of the EPA's AAI rule (40 CFR 312). Following the requirements of AAI in a pre-purchase, an ESA gives a prospective purchaser liability protection from the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) for those environmental issues that are identified by the ESA.

Q: If my property is a brownfield, are there public funds that can help with clean-up costs?
Yes. The State of Hawaii's Brownfields Cleanup Revolving Loan Fund (RLF) is publicly available money that offers low and no-interest loans to clean up brownfields properties. The RLF is managed by the State Office of Planning (OP) and originated from a coalition grant to the City and County of Honolulu, County of Maui, and the State. For more information on the RLF Program, contact the OP at (808) 587-2846. Depending upon the site and other conditions, other funding from the EPA may also be available.

Q: If I caused or contributed to the contamination at a brownfield site, can I still benefit from this grant?
It depends. The City can submit an eligibility form to the EPA, which will help determine if they can pay for a Phase I or II ESA. The grant is ideal for a prospective developer interested in buying your property, so long as it is abandoned, idled, or underused and the transfer is not a real estate transfer for the purposes of continued operation of an already operating facility. Also, while this might facilitate the sale of your property, it does not alleviate your past site liability. The City's brownfield grant program does not make the determination of future liability and/or enforcement for responsible parties.

Q: Will an ESA done for my property several years ago be sufficient for my redevelopment or resale requirements?
No. Information from older Phase I ESA reports may be used as a resource, but if it was completed more than six months ago it will not be sufficient for resale requirements unless it is refreshed/updated. If it was completed more than one year ago, it has to be rewritten. This protects buyers from inadvertently accepting liability for contamination that may have occurred between when the initial assessment was conducted and when the property actually transfers.

Soil and groundwater data from past Phase II ESAs may be useful for redevelopment planning. Depending on when the assessment was completed, as well as the activities and operations on the site since its completion, old data can be analyzed in conjunction with new data that the consultant and the State Department of Health may deem necessary to get a better idea of the environmental conditions on the site.

Q: Can I have an ESA done if I don't own the property (e.g. as a lessee or potential buyer)?
Yes, if you have permission and access rights from the owner of the property.

Q: How will the City select which properties receive ESAs paid for through this grant?
Potential brownfield properties in the TOD areas will be prioritized based on their proximity to the rail stations and other factors related to redevelopment potential consistent with TOD planning objectives. Interested property owners should contact the City to provide information on their sites and obtain more information about the selection process (see contact information below).

Q: Where can I find more information about brownfield remediation in Hawaii?
The State Department of Health oversees brownfield remediation and has a Brownfields Redevelopment Program website at https://bit.ly/34U3OtL. The City Department of Planning and Permitting's brownfields assistance web page can be found at: www.honolulu.gov/tod/dpp-tod-resources/brownfields-assistance.

Q: How do I apply and what are the next steps?
Please contact:
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