

P.O. Box 1967, Olympia, WA 98507-1967

olympiawa.gov

November 1, 2021

R10-22-A-002

Terri Griffith U.S. EPA Region 10 Headquarters 1200 Sixth Avenue, Suite 155 Mailstop: ECL-133 Seattle, Washington 98101

Re: FY2022 USEPA Brownfields Assessment Grant Proposal: Olympia, Washington

Dear Ms. Griffith:

The City of Olympia, Washington is submitting the enclosed application for a U.S. EPA Brownfields Assessment Grant. The City of Olympia is a general purpose unit of local government in the State of Washington.

The following applicant information is provided as specified in the Grant Guidelines:

1. Applicant	City of Olympia			
Identification	PO Box 1967			
	Olympia, WA 98507-1967			
2. Funding Requested	a. Assessment Grant Type: Community-Wide			
	b. Federal Funds Requested			
	i. \$500,000			
	ii. N/A - Not a site-specific proposal			
3. Location	Olympia, Washington			
4. Target Area and	Target Areas:			
Priority Site/Property	Peninsula (census tract 101)			
Information	West Bay (census tract eastern portion of 106)			
	Priority Sites:			
	Former Reliable Steel (1218 West Bay Drive)			
	Former Solid Wood Inc. (south of 700 West Bay Drive)			
	Former All Service Motors (400 State Avenue)			
5. Contacts	Project Director	Highest Ranking Official		
	Mike Reid	Jay Burney		
	Economic Development Director	City Manager		
	City of Olympia	City of Olympia		
	601 4th Ave E	601 4th Ave E		
	Olympia, WA 98502	Olympia, WA 98502		
	mreid@ci.olympia.wa.us	jburney@ci.olympia.wa.us		
	(360) 753-8591	(360) 753-8447		
6. Population	City of Olympia: 55,605 (2020 Census)			
7. Other Factors	The Other Factors Checklist is provided on the following page.			

8. Letter from the State A current letter from the Washington Department of Eco	
Environmental Authority included as Attachment 1 to this Narrative Information	
9. Releasing Copies of	N/A – Application does not have confidential, privileged, or
Application	sensitive information.

Other Factors Checklist

Applies	Other Factors	Page #
	The community population is 10,000 or less.	
x	The applicant is, or will assist, a federally recognized Indian tribe or United States territory.	5,6
	The priority site(s) is impacted by mine-scarred land.	
x	The priority site(s) is adjacent to a body of water.	1, 2
х	The priority site(s) is in a federally designated flood plain.	1, 2
x	The reuse of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy.	3
x	The reuse of the priority site(s) will incorporate energy efficiency measures.	3
	30% or more of the overall project budget will be spent on eligible reuse/area-wide planning activities for priority brownfield site(s) within the target area.	
	The target area(s) is located within a community in which a coal-fired power plant has recently closed (2011 or later) or is closing.	

The Olympia region has a rich history and many positive attributes, while at the same time facing extraordinary economic challenges. We have the strategic foundation to put the plan into action, a highly capable team, and a track record of leveraging successful projects (see success using FY2019 brownfield assessment grant). With EPA's support, we will address the area's challenges by facilitating new investment and cleaning up our environment.

Very truly yours,

Mike Reid

Mike Reid, Economic Development Director City of Olympia

Attachments: Attachment 1 - Letter from the State Environmental Authority (WA Dept. of Ecology) Attachment 2 – Grant Narrative Attachment 3 – Threshold Criteria Responses



STATE OF WASHINGTON

DEPARTMENT OF ECOLOGY

PO Box 47600 • Olympia, WA 98504-7600 • 360-407-6000 711 for Washington Relay Service • Persons with a speech disability can call 877-833-6341

October 19, 2021

Terri Griffith EPA Region 10 1200 Sixth Avenue, Suite 155 Mailstop: ECL-133 Seattle, WA 98101

Re: Ecology Support for the City of Olympia's Application for a Community-wide Assessment Grant

Dear Ms. Griffith:

I understand that the City of Olympia (City) will submit an application to the U.S. Environmental Protection Agency (EPA) for a Community-wide Assessment Grant under the Fiscal Year 2022 Brownfields Program grant cycle. If awarded, the City intends to use the funds for several Phase I and Phase II environmental site assessments currently in the pipeline. This grant will build on previous investments in these areas by the City, EPA, Washington State Department of Ecology (Ecology), and other public/private entities. Projects supported by previous grants include five mixed use developments, three residential developments, a computer repair/website design store, a homeless shelter/resource center, a supportive housing facility, and a tiny home village. Additional assessment and cleanup will further spur development and remove blight downtown and the surrounding areas.

As a requirement of the application, the City has informed Ecology of their plans to apply for this Assessment grant. Ecology is very supportive of these efforts and this letter is provided to recognize that the City has fulfilled their notification requirement. The Ecology point of contact for any of the potentially affected sites is Rebecca Lawson in Ecology's Southwest Regional Office. Her email address is rebecca.lawson@ecy.wa.gov. For questions regarding this letter or general Brownfields questions, please contact me at (509) 655-0538.

Sincerely,

Formall

Ali Furmall Small & Rural Communities Brownfields Specialist WA State Department of Ecology

Terri Griffith, EPA Region 10 October 19, 2021

cc: Terri Griffith, EPA Region 10 Susan Morales, EPA Region 10 Richelle Perez, Ecology Rebecca Lawson, Ecology

FY2022 USEPA Brownfield Assessment Grant Application – Olympia, WA

1. Project Area Description and Plans for Revitalization

1.a. Target Area and Brownfields

1.a.i. Background and Description of Target Area

This community-wide grant application continues the City of Olympia's progress that began under the FY19 EPA coalition brownfield assessment grant (FY19 grant), which kick started assessments and cleanup of the area's numerous brownfields. Additional grant funds will further spur development and remove blight from downtown and surrounding areas. Olympia is located at the southernmost tip of the Puget Sound, approximately 60 miles south of Seattle. Olympia has been the Washington state capitol since 1855, with a location providing great access to a variety of recreational opportunities. On a clear day, a spectacular view is seen from the Capitol across the Sound clear to the snow-topped Olympic Mountains 50 miles to the north, with marinas, sailboats, and occasional whales in between. Preserving this spectacular intertwining of humans and nature for future generations is at the heart of this grant application.

In 1911, significant changes were made to the City's topography. About 22 city blocks were added to the downtown area in a dredging and filling effort to create a deep-water harbor. Wood pilings were placed throughout the area to hold sediments, creating the present-day peninsula on which much of downtown Olympia resides. This new peninsula allowed Olympia to grow its downtown core. Until the 1960s, the peninsula was used heavily by lumber mills, welding shops, petroleum tank farms, and log yards, with ship transport along the west coast, eastern Asia, and other Pacific countries. The peninsula divides Budd Inlet into two bays. East Bay, east of the peninsula, hosted a creosote wood-treating business, with environmental cleanup costs at over \$45 million to date. On the other side of the peninsula, West Bay hosted several large lumber mills and steel plants. The lumber mills, welding shops, and petroleum tank farms have long disappeared from downtown, but their legacy remains.

The **Target Areas** of this grant application are the *Peninsula* (census tract 101) and the *West Bay* (west of downtown Olympia; eastern portion of census tract 106). Both tracts adjoin the Puget Sound (body of water) and are in federally-designated floodplains. The history of fill and past industrial uses makes cleanup and redevelopment of the City's brownfield properties more challenging economically than other areas. Heavy metals, petroleum products, and chlorinated solvents are consistently found in soil, groundwater, and surface water. Empty asbestos-laden buildings (privately owned) are attractive to the region's large homeless population seeking shelter. The buildings are difficult to secure and pose a health threat to this sensitive population. The FY19 grant led to the development of the Hardel Plywood Site (a priority site in the FY19 application) into West Bay Yards (a mixed-use waterfront development), but additional funds are needed to maintain momentum elsewhere in the Target Areas.

1.a.ii. Description of Priority Brownfield Sites

Washington's Toxic Cleanup Program GIS mapping software identified 269 toxic cleanup program sites within Olympia City limits. Based on review of historical maps and visual surveys of the Target Areas, there are at least 20 sites with current or past petroleum storage activities (e.g., gas stations, truck depots, and auto sales), and at least 40 with likely hazardous substance impacts (e.g., foundries, manufacturers, and railyards). Asbestos, lead paint, petroleum, pesticides, metals, PAHs, PCBs, and chemical byproducts (e.g., dioxin and furans) are widespread on brownfields in the Target Areas and are negatively impacting the health of sensitive populations (described in Section 2). Three **Priority Sites** are discussed in detail below.

The 16-acre **Solid Wood Inc. site** (south of 700 West Bay Drive) has been vacant since 2002. It is in a federally-designated floodplain in the West Bay Target Area, adjacent to the Puget Sound and directly south of West Bay Park. The Solid Wood site operated as a lumber mill between 1924 and 2002 and included hog boilers, repair shops, fuel tank farms, rail yards, mill operations, and hazardous waste storage. Likely sources of pollution include wood and fuel burning, oil spills, and leaking fuel tanks. An initial investigation found petroleum, PAHs, and metals in soil and groundwater.¹ Full characterization is needed to determine the extent of impact prior to any redevelopment.

The 9-acre vacant **Reliable Steel site** (1218 West Bay Drive) adjoins the Puget Sound directly north of West Bay Park in the West Bay Target Area and is also in the federally-designated

¹ Information obtained from the Washington Department of Ecology.

floodplain. The Reliable site was originally developed as a lumber mill. From 1941-2009, the site was used for boat building, steel fabrication, and welding.² In 2010, a fire damaged several buildings, and the site has been vacant since. Petroleum products, heavy metals, PCBs, PCP, and phthalates have been detected in soil and groundwater, but the site has not been fully assessed. The Solid Wood and Reliable priority sites bracket West Bay Park, a former brownfield itself, with vacant lots and dilapidated structures that are potentially leaking hazardous substances and petroleum products directly into the Puget Sound.

The Solid Wood and Reliable sites are priorities, because redevelopment will eliminate contamination to the Puget Sound. Capitol Lake and Budd Inlet (Puget Sound), the bodies of water adjoining the two sites, are listed as 'impaired waters' in Enviroatlas and are often closed to public use for health reasons. By redeveloping the Solid Wood and Reliable sites with mixed-use redevelopment and a waterfront greenbelt/trail (*per 2016 Olympia Community Renewal Area [CRA] Plan*), access will improve to downtown from the West Bay, which would become part of the existing trail network. Dangerous physical hazards will be removed, property values will rise, and access to increased recreational, residential, and commercial opportunities will be provided both on land and in the water. Assessing and redeveloping these two sites would connect downtown to the new West Bay Yards brownfield redevelopment project and West Bay Park.

The 0.5-acre **All Service Motors site** (400 State Ave) is in the Peninsula Target Area, a federallydesignated Opportunity Zone (OZ) census tract, a floodplain, and is within 500 feet of the Puget Sound, 0.3 miles of six city parks, and 300 feet of the local transit center. It is also adjacent to several large homeless camps, which have expanded onto the site. The All Service Motors site operated as a mill between the 1930s and 1970s, at which time auto repair and automobile fueling commenced. The site caught fire in 2000 and has been vacant since. At least two gasoline underground storage tanks are believed to be present, associated with an old fueling station.² No assessment has occurred on this site, but potential contaminants include petroleum, PAHs, and metals. Redeveloping the site is a priority due to its prime location downtown; the large amount of foot traffic from residents, homeless, and visitors daily are encountering potentially contaminated soil. Redevelopment would create an increase in property tax, which could be used to spur additional redevelopment nearby and would remove another key source of contamination flowing directly into the Puget Sound. **Redevelopment with affordable housing** could alleviate the homelessness problem, which is the City's goal for the site.

1.b. Revitalization of the Target Area

1.b.i. Reuse Strategy and Alignment with Revitalization Plans

In 2014, the City updated their **Comprehensive Plan** and adopted a new and ambitious community vision to guide how the region grows and develops over the next 20 years. Goals of the Plan include preserving quality natural areas, creating a toxin-free community, and providing clean water and air. The Comprehensive Plan sets policy goals for denser development in urban areas to prevent sprawl. The redevelopment strategy discussed in the Comprehensive Plan includes providing affordable housing for all, which would contribute to reducing the cost of City police and social services and make the downtown more attractive for businesses and visitors.

The 2016 **Community Renewal Area Plan** (CRA) identified both the Solid Wood and Reliable Priority Sites as blighted. The objective of the CRA Plan is to eliminate blight and redevelop the identified sites with viable and productive uses that will catalyze economic vibrancy. Specifically, the City will redevelop the Priority Sites (and all blighted areas) for mixed-use. Residential housing is desired to support an increase in the population living downtown and overall vitality of the area. Redevelopment of the Target Areas will focus on affordable housing. The City has a proven track record of successfully creating affordable housing projects, including one in 2017 (Billy Frank Jr. Place) and one in 2020 (2828 Martin Way Shelter). Redeveloping vacant blighted properties is a core component of both the Comprehensive Plan and the CRA Plan. Two sites assessed using FY19 grant funds are also currently undergoing development for affordable housing and six other FY19 grant assessed sites are being developed at least in part for residential (several are mixed-use).

The **West Bay Restoration & Park Master Plan** outlines the vision for the mixed-use redevelopment and a restored shoreline that seamlessly and creatively integrates a greenbelt/waterfront trail, recreational amenities, and reestablishment of the functions and values of the shoreline environment. Brownfields still abound within 1.5 miles of former

² Information obtained from the Washington Department of Ecology.

industrialized West Bay shoreline, including the Solid Wood and Reliable Priority Sites. West Bay Park was created along a four-acre portion of the shoreline in 2010 and West Bay Yards is currently under development (former FY19 application priority site). The Master Plan extends the trail along the entire West Bay shoreline, creating recreational opportunities while simultaneously removing blight and pollution centers. The extended West Bay Park trail would connect around the West Bay Target Area to the Peninsula Target Area and downtown.

Climate resilience will mitigate impacts (e.g., rising sea levels, increased air pollution, hotter temperatures) to disadvantaged communities in the Target Area. The City has already formed a City Green Team, purchased 11 EVs, launched an anti-idling campaign, developed telecommuting opportunities (even before COVID), and partnered with Olympia Community Solar on common area solar arrays that community members can buy into to reduce their greenhouse gas emissions. The Green Team is working to create new developments that reduce sensitive population exposure to the climate threats mentioned above. As part of the City's 2019 **Climate Action Plan**, 35 early climate actions under six themes were developed, including creating a culture of climate awareness, greening the City's facilities and fleet, building climate friendly infrastructure, establishing a framework for climate-focused decisions, and building and leveraging partnerships.

These grant funds will help meet the CRA and Comprehensive Plan redevelopment goals and be in line with Goal 1 (Cleaner, Healthier Environment) Objective 3 (Revitalize Land and Prevent Contamination) of EPA's FY2018-2022 Strategic Plan. The grant will provide funds to determine what cleanup actions are necessary prior to redevelopment at the West Bay and Peninsula Priority Sites. Economic uncertainty created by site contamination is a barrier to development in the Target Areas and elsewhere in the community. The grant is unequivocally in line with the redevelopment strategy outlined in the Comprehensive Plan, which sets goals of 'identifying potential tools, partnerships, and resources that can be used to create more economic certainty for developments by better characterizing contamination where doing so fulfills a public purpose. **1.b.ii.** Outcomes/Benefits of Reuse Strategy

A mixed-use redevelopment and waterfront trail connecting the West Bay to the Peninsula will be an economic stimulant for local businesses in both the West Bay and the Peninsula, as residents will be able to safely walk to new and existing shops and businesses in the Target Areas. The creation of the mixed-use redevelopment and greenbelt/waterfront trails along the West Bay Target Area in place of the Solid Wood and Reliable Priority Sites will provide opportunities for all to enjoy the scenic nature of the Puget Sound as well as new commercial/residential opportunities. Environmental justice will also be served, as all people will have better access to jobs, fresh food, and local capital, simply by increasing access to downtown from the West Bay. Removing the blight will eliminate sources of contamination negatively affecting Puget Sound plant and animal life, such as the critically endangered resident Orcas, of which only 73 remain; every step taken to reduce illicit discharges to the Puget Sound helps these majestic creatures survive. Green building practices such as the use of bioswales, solar panels, and the pursuit of LEED certifications are encouraged during all redevelopment, regardless of location, per the Comprehensive Plan and Climate Action Plan and will help combat the effects of climate change. Disadvantaged communities often are impacted the most by climate change. The City incentivizes green building practices, such as the Rain Garden Incentive Program, which provides reimbursement for the creation of rain gardens to collect stormwater runoff.

Creating affordable housing options would help ease the massive homeless crisis; a discussion of the homeless demographics and the magnitude of the problem is discussed in Section 2.a.ii. Billy Frank Jr. Place was completed with resounding success in 2017, providing 43 units of affordable housing for low-income residents in an energy efficient 4-story building in downtown Olympia, near the Olympia Transit Center (providing easy access to jobs by bus). The project serves homeless veterans, homeless young adults (age 18-24), disabled individuals, and other members of the community. Continued efforts will help end homelessness in the area, a goal of the Comprehensive Plan. The All Service Motors priority site is adjacent to Billy Frank Jr. Place; the City's goal is for another affordable housing project to occur at this priority site. The livability and economic benefits of brownfield redevelopment in the Target Areas are numerous. It will save money for households, spur economic development, create jobs, increase property values, and promote walking and biking, thereby reducing traffic. Studies have shown that the average redevelopment project in which jobs are created appears to yield about 10 jobs per acre (EPA National Center for Environmental Economics 2007). Additionally, in accordance with the Justice40 initiative, the City's reuse strategy would benefit disadvantaged communities by focusing on affordable housing near the transit center, which meets three of the Justice40 disadvantaged criteria: helping those in poverty, improving neighborhoods with a higher percentage of brownfields, and improving transportation access. The City estimates that 100% of EPA grant funds will benefit disadvantaged communities given the demographics of the target areas, far exceeding the 40% goal of the Justice40 Initiative. Vulnerable groups (seniors, poor, homeless) would have the opportunity to move into new affordable housing developments and have access to services and amenities that shelter them from flooding, heat, and poor air quality, all of which are expected to be exacerbated by climate change. **1.c.** Strategy for Leveraging Resources

1.c.i. Resources Needed for Site Reuse

The City is eligible to receive federal and state grants to assist with site reuse as detailed below. EPA assessment grant funds will answer the unknowns on sites to attract potential purchasers and allow future access to other funding sources, including WA Dept. of Ecology Independent (\$450k) and Oversite (\$600k) Remedial Action, Safe Drinking Water (no limit), Area-Wide Groundwater (\$500k), and Integrated Planning (\$300k) Grants, as well as EPA cleanup grants. The City has a successful track record of obtaining state cleanup grants, including for City Hall itself, and will leverage the EPA grant to push sites towards reuse. However, these state grants are generally only for cleanup or if a developer is on board. With many uncertainties on brownfields, developers are leery. State funds are earmarked and available for purchasing sites and cleanup, but not for assessment. Community Development Block Grants and tax increment financing will also be used to fund redevelopment projects in future years. The 2021-2026 Capital Facilities Plan states that the City's Park District has **\$2MM to spend acquiring neighborhood park** land with a goal of meeting the ratio of 13 acres of open space per 1,000 residents. Once the West Bay priority sites are fully assessed, City Park District funds will be used to purchase the land for the waterfront trail, in accordance with the Master Plan. The Peninsula Target Area census tract has federal **OZ designation**, which the City will use to incentivize redevelopment, starting with All Service Motors priority site.

1.c.ii. Use of Existing Infrastructure

The Target Areas are urban, and the priority sites are infill properties connected to roads, sidewalks, and utilities (waste/storm/potable water, power, and communications/internet), with police/EMS/Fire stations, health clinics, and libraries. Infrastructure needs on the West Bay Priority Sites would be minimal, as portions are slated to become recreational areas and utility stubs already exist at the roadway entrances and on-site from previous developments. Utility stubs will be reused at all priority sites, resulting in cost and efficiency savings. If utility upgrades are needed, on-site upgrades would be paid for by the developer (incentivized with tax increment financing) and upgrades beyond property boundaries would likely be paid from general capital facility funds (i.e., sewer upgrades, road improvements), as described in the 2021-2026 Capital Facilities Plan.

2. Community Need and Community Engagement

2.a. Community Need

2.a.i. Need for Funding

For a town of approximately 50,000, the financial burden of its legacy brownfield sites taxes the already stretched financial and public safety resources. Economically, Olympia's population growth has slowed, and the City has not captured as much business growth as neighboring areas. This reflects its built-out condition, compared to neighboring cities that can sprawl at a lower cost. From 2010-2020, Olympia's population grew by just 20%, compared to 46% by adjoining Tumwater (US Census 2010, 2020). Although growth is slower than surrounding areas, there is increased demand for housing, which raises property values and causes financial hardships on vulnerable residents. The state does not have a personal income tax; local government revenue comes from sales, business & occupancy, and utility taxes, so a healthy economy is key for the success of the community. The COVID pandemic ravaged City revenue sources, **dropping total revenue by \$30MM (over 18%) between 2019 and 2020, while operating expenses have risen \$3MM. Public Works and Emergency Services account for 75% of the City budget, leaving only a small fraction of funds available for economic development (1.3%; Olympia Annual Reporting Webpage 2021).** This EPA assessment grant funding will also serve local groups/agencies that do not have the means to assess sites of importance to them, such as community partners like the Port of Olympia and the Parks District. The assessment grant will bring these groups together to better the region both economically and environmentally.

The stigma associated with brownfields threatens the vitality of the neighborhoods surrounding them, lowering property values and exacerbating environmental problems. Prospective purchasers/developers have ignored the prime real estate offered by the Priority Sites on several occasions because of the perceived contamination, instead choosing to develop greenfields outside of the area, even though the City is more centrally located. Redevelopment of the Priority and other brownfield sites in the City will spur the region's economic growth, provide impoverished residents with much-needed employment opportunities, create recreational areas and affordable housing, and increase the property and income tax bases.

2.a.ii. Threats to Sensitive Populations

(1) Health and Welfare: Approximately 20% of the West Bay (census block group 106-005) and 30% of the Peninsula (census block group 101-001) Target Area households live below the poverty line, 2 to 3 times the state and national rates (ACS 2019); **45% of children in the West Bay live in poverty** (17% nationally; ACS 2019). 61% of the population in the Peninsula is over 64 years old (EJSCREEN), compared to less than 17% in the state and nation (ACS 2019). **Due to a lack of affordable housing for sale, 100% of housing in the Peninsula and 62% in the West Bay is rented** (**EJSCREEN**), compared with less than 37% in the state and nation (ACS 2019). 100% of Peninsula census block group and 73% of West Bay census block group households are below the quality of life threshold income (Enviroatlas). The lack of affordable housing, coupled with the COVID pandemic, has led to a massive increase in homelessness in recent years. The countywide homeless population rose from 534 in 2017 to 1,145 in 2021. There has been a 141% increase in homelessness since 2015, with the largest portion residing in the Peninsula Target Area. **The number of children with unstable housing has increased 10% from 2018-2019 and 155% since 2006**. Approximately 54% of homeless individuals are unsheltered, illustrating a dire need for additional affordable housing (Prelim Thurston County Homeless Census 2021).

The high concentrations of elderly, homeless, and low-income individuals are often those most exposed to threats associated with local brownfields due to their increased amount of time spent outside living or taking advantage of free recreational opportunities. Brownfield redevelopment presents opportunities to reduce imminent threats and provide solutions to improving quality of life by eliminating exposure to contaminated sites, expanding affordable housing, and providing jobs at new redevelopment projects. The community has established several plans to solve the homelessness crisis, further discussed in sections below.

(2) Greater than Normal Disease Incidence Rates/Adverse Health Conditions: Lead exposure risk is at the highest vulnerability threshold³ in the State relative to other areas due to the prevalence of old structures, which likely contain asbestos and lead paint. 44% of homes in the Peninsula Target Area were built prior to 1939, and the West Bay census block group is in the **86th percentile for lead paint indicators** nationally (EJSCREEN). Due to a lack of healthy food (USDA food desert) and recreation options, Peninsula **diabetes incidence rates are 18% higher** than the county average. Cumulative cancer rates in the West Bay are 5% higher than the county/state (EJSCREEN).

The death rates from lung cancer and leukemia in Thurston County are 11% and 15% higher than the state average, respectively (WA State Cancer Registry 2017); the disproportionate number of brownfields is likely a contributing factor. Fish and shellfish consumption advisories are prevalent in the Target Areas (EPA Advisories Webpage), disrupting a tradition for the Squaxin Island Tribe ("People of the Water") and other local tribes. Signs noting sediment/surface water contamination also litter the shores of the Sound, tainting what was once an unparalleled resource for the Tribe and others.

The Assessment Grant will provide funds to evaluate the priority brownfields, determine the extent of the suspected contamination, and identify exposure pathways. The assessment data will be used to develop remediation plans to control airborne particulate exposures, vapor intrusion exposures, contaminated stormwater runoff, and groundwater migration, improving the health of

³The rankings, provided by the State of WA, help compare health and social factors that contribute to disparities in a community. Health disparities are differences in health outcomes across population groups. Social determinants of health are social, economic, and environmental factors that impact health outcomes.

both residents and natural resources. Additionally, by creating waterfront trails in the West Bay connecting to downtown, better exercise opportunities and access to healthy food will arise due to increased access to surrounding areas, alleviating health problems. Lastly, a riparian buffer created by the greenbelt/trail will reduce flow of contamination into the Puget Sound. (3) Promoting Environmental Justice (EJ): As mentioned previously, the homeless population ballooned to 1,145 people in 2021 (an astronomical number for a city of only 50,000). True numbers are likely higher, as point counts are not reliable due to the transient nature of homeless people. Poverty and homelessness go hand in hand. Both Target Areas meet the USDA food desert subcategory of low-vehicle access, distance of >1/2 mile to a supermarket, and poverty rates >20% (West Bay = 20%). Historically, there has been little help for the homeless and other economically impoverished individuals in the Target Areas (statistics provided above). Affluent areas are outside the impact zone, but the poor have to live among the contamination. Olympia addresses EJ by creating designated safe havens and city-sanctioned camps for the homeless (e.g., tiny home communities) on vacant lots, as well as creating low-income housing options. Illustrating the City's commitment to EJ, FY19 grant funds were used to spur development of a homeless crisis center and two affordable housing projects. Identifying brownfields and educating the population on the dangers of brownfields are key steps to reducing the contamination to which disproportionately impacted populations are exposed. EJ will be achieved by assessing and removing hazards associated with brownfields, which will result in a reduction of contaminants, improvement of aquatic life, and allow for additional low cost/free recreational opportunities for all area residents, not just the wealthy. Historically, the low-income and homeless were ignored. This grant will address EJ by identifying and reducing environmental consequences in the disparaged Target Areas, specifically the Priority Sites, thereby improving the health and recreation of all people, regardless of social or economic status. **2.b.** Community Engagement

2.b.i. and 2.b.ii. Project involvement and Project Roles

City staff will contribute their expertise and success in engaging the community to ensure public involvement in each stage of the brownfields assessment, planning, and redevelopment planning process. The City retained a local qualified environmental consultant (QEC) in compliance with the fair and open competition requirements in 2 CFR Part 200 and 2 CFR Part 1500. The QEC has a proven track record in effectively engaging citizens through traditional and nontraditional outreach techniques to enhance the community engagement process. City staff regularly plan and implement outreach plans for a variety of land use projects.

City staff will screen sites prior to assessing, ensuring owners and prospective purchasers are engaged and informed, using the rating scale described in Section 3.a. Local community partners will be involved in the project to ensure the grant outcomes are in line with the community's environmental and economic goals. **Community partners**, and their roles, are shown below.

Partner Name	Point of Contact	Specific Role in Project
Thurston Regional Planning	Karen Parkhurst	Assist project team with site selection and reuse planning/visioning; assist with public
Council	360-741-2522	engagement through website/social media; attend community kick-off meeting.
Olympia Metropolitan Parks	Paul Simmons	Focus on environmental and recreational reuse of the West Bay Target Area sites. Provide
District	360.753.8380	input on reuse plans and outreach to residents and the community.
Port of Olympia	Lisa Parks	Focus on economic reuse of Peninsula Target Area sites. Provide outreach to businesses
Fort of Olympia	360-528-8020	and economic engines of the region to bring business into Peninsula brownfields.
Thurston Economic	Michael Cade	Assist project team with education and leveraging of federally-designated opportunity
Development Council	360-464-6085	zones status. Host community roundtable discussions on opportunity zone investments.
Squaxin Island Tribe	Jeff Dickison	Provide outreach to the community on eliminating sources of contamination to the Puget
•	360-432-3815	Sound and its ecosystems; assist project team with site identification and reuse planning.
Thurston County Chamber of	David Schaffert	Host community forums and assisting with marketing, communication, site identification,
Commerce	360-357-3362	and outreach to residents and businesses in the community.
Thurston Conservation District /	Dave Winter	Attend meetings; provide input on sites; educate community on protecting the area and
Capitol Land Trust	360-943-3012	the impact of brownfields on the environment.
Timberland Regional Library /	Morgan Sohl	Assist project team with researching site histories and identifying sites; post news of grant
Olympia Historical Society	360-352-0595	award and draft Work Plan.
Thurston County Health	Schelli Slaughter	Provide health/hazard data; assist with public engagement through website/social media;
Department	360-867-2500	educate the community on hazards of brownfield sites to the public and the environment.
Olympia Downtown Alliance	Todd Cutts	
	360-489-0886	Assist project team with the identification and prioritization of sites in the community;
Olympia Northeast	Mike Dexel	distribution of project information; grant funds awareness outreach.
Neighborhood Association	360-292-3916	

2.b.iii. Incorporating Community Input

Public engagement was key in developing the City's CRA and Comprehensive Plans. The City will provide monthly project updates, using methods that provide equal access to project information for sensitive populations and the underserved. At least 2 weeks in advance, the City will provide notices for outreach events at public locations, like libraries, schools, and recreation centers, and provide project updates through the City's webpage, social media, and email listservs. Community partners will also post information and solicit input on potential sites and other ideas to make this project successful. Interactive Facebook and Twitter pages will be maintained monthly to involve the community. We will also maintain the existing grant webpage monthly that includes a mechanism for comments and input, which will utilize the services of the City's Public Information Officer. For non-English speaking individuals, grant materials will be translated as needed. Additionally, the public will be invited to attend the monthly grant meetings. Community meetings will be held at ADA-compliant facilities and locations to ensure access to members of the Target Areas' sensitive populations. Meeting summaries will be posted on the project-specific webpages following meetings and meetings will be recorded. Comments from community members will be directly addressed in person during meetings or via telephone/email within 2 weeks of being received; comments will be incorporated into the project plans. Virtual options will be provided for those unable to attend or uncomfortable attending due to COVID.

3. Task Descriptions, Cost Estimates, and Measuring Progress

3.a. Description of Task/Activities and Outputs: The City is requesting \$500,000 of EPA Assessment funding to assess and plan the cleanup/reuse of priority brownfields in the Target Areas. Prior to the CA beginning, the City will prepare a Work Plan and gain approval from the EPA Project Officer. Once the CA is initiated, the project scope has been organized into the following four tasks:

Task 1: Programmatic (Cooperative Agreement Oversight)

i. <u>Implementation</u>: The City will manage all aspects of the project, including coordination with the EPA and the Qualified Environmental Professional (QEP). Reporting will include: 1) Quarterly Progress Reports (QPRs); 2) Property Profiles/ACRES Updates; 3) Annual Disadvantaged Business Enterprise (DBE) & Federal Financial Reports (FFRs); & 4) A Grant Closeout Report documenting outputs, outcomes, accomplishments & successes. The City will attend two conferences and/or workshops as Covid-19 conditions permit; or attend equivalent webinars. The City will also have monthly meetings with the QEP to discuss grant progress and goals. The City will review the schedule and milestones on a quarterly basis to ensure the project stays on track and goals are completed in the 3-year project timeframe.

ii. <u>Schedule</u>: Management/reporting/communicating grant progress will be ongoing throughout. Regional Workshops/Conferences and the National Brownfield Conference are anticipated in 2022-2023.

iii. <u>Leads</u>: The City will lead all grant management and reporting activities.

iv. <u>Outputs</u>: Monthly team meetings (30 total), 12 Quarterly Reports; 3 Annual/Final DBE/FFR Reports; ACRES Updates (ongoing); one Grant Closeout Report; 2 Brownfield Conferences and/or Regional Workshops.

Task 2: Community Outreach and Site Inventory

i. Implementation: **Community Outreach**: The City and its partners already engaged with stakeholders for the priority sites and that process has helped identify preferred solutions for development (see Section 1.b.i). The City is working to evaluate community priorities for other sites in the Target Areas and to engage stakeholders/community partners in identifying brownfield opportunities that will support other near-term revitalization projects. We will communicate with property owners about technical and financial tools available to support and complete brownfield redevelopment. Detailed plans for ongoing community engagement that will continue to dynamically involve stakeholders in the interactive decision-making process are described in Section 2.b. Activities are anticipated to include: 1) Public Involvement Plan (PIP) update; 2) fact sheets & press releases; 3) project webpage; and 4) up to six Community Education and Stakeholder meetings (biannually). City-provided effort beyond \$10,000 will be provided in-kind through additional labor and expenses (i.e., travel and supplies) needed to conduct environmental outreach meetings. Site Selection: The site selection criteria will address specific community needs, Justice40 principles, and Park Master Plan and CRA goals. Priority Sites take precedence over other sites. Point values will be assigned to the criteria, and sites will be scored. Criteria may include the site's potential to: 1) attract redevelopment, 2) enhance existing communities, 3) promote equitable housing options, 4) promote public and/or environmental health, 5) address environmental justice concerns, 6) align redevelopment with planning efforts; and 7) leverage redevelopment resources. Known property owner willingness to provide access will also be one of our site selection criteria, to ensure we can assess and plan for redevelopment of brownfields within the project timeframe. As part of the ongoing site selection process, the City will continually survey

project partners, local developers, real estate brokers, and other stakeholders for potential sites, and conduct desktop studies and windshield surveys to verify existing site conditions. Access to several vacant waterfront brownfields owned by the Port of Olympia or Metropolitan Parks District will be possible immediately. We will develop an access agreement letter outlining the purposes of proposed assessments and establishing guidelines including notification periods, minimizing interference with operations, restoring property impacted by the assessment, and other relevant information.

ii. <u>Schedule</u>: The PIP, fact sheets, and webpage will be updated during the first quarter (1Q) of the project. A community kick-off meeting will be held during the 1Q and convened biannually (2x/year) thereafter. Other stakeholder meetings will occur as needed. Site selection will occur on an ongoing basis.

iii. <u>Leads</u>: The City will lead this task to involve the community in the grant; however, the QEP will also be substantially involved in this task due to past experience and success. Community stakeholders will also be involved as shown in Section 2b.

iv. <u>Outputs</u>: 20 new brownfield sites identified; PIP; fact sheets; press releases/articles; webpage content; other stakeholder meetings/materials; GIS files; tables; figures.

Task 3: Site Assessments

i. <u>Implementation</u>: The City will focus grant funds (~86% of total grant funds) on performing assessments, especially Phase II ESAs, to determine the nature and extent of the contamination at priority sites. Sites will be evaluated through performance of Phase I and/or II ESAs (conducted in accordance with All Appropriate Inquiry [ASTM Standard E1527-13] and other ASTM standards and practices) and, when appropriate, according to MTCA standards. If health threats are identified during Phase II ESAs, WA Dept. of Ecology and Thurston County Health will be notified and health monitoring may be completed. Assessments will adhere to local, state, and federal requirements; EPA data quality objectives; and rely on approved standards, regulations and guidance. A generic grant-wide EPA-approved Quality Assurance Project Plan (QAPP) and site-specific Sampling and Analysis Plans (SAPs), including Health and Safety Plans (HASPs), will be completed prior to conducting Phase II ESAs. This task will also include preparation of property eligibility determination (PED) forms and AAI Checklists. City personnel costs for this task will be provided in-kind for developing site eligibility determinations.

ii. <u>Schedule</u>: Year 1: 1 grant-wide QAPP, 8 PEDs, 5 Phase I ESAs, 3 Phase II ESAs; Year 2: 9 PEDs, 5 Phase I ESAs, 4 Phase II ESAs; Year 3: 8 PEDs, 5 Phase I ESAs, 3 Phase II ESAs.

iii. <u>Leads</u>: The QEP will complete this task under direction of the City, who will secure site access.
iv. <u>Outputs</u>: 25 PED Forms, 15 Phase I ESAs, 1 grant-wide QAPP, 10 HASPs, 10 SAPs, 10 Phase II ESAs. 150 temporary or permanent jobs (15 per site for 10 sites including construction jobs).

Task 4: Cleanup and Reuse Planning

i. <u>Implementation</u>: The City will conduct cleanup/redevelopment planning where redevelopment is imminent and such activities will facilitate redevelopment. This may include preparation of Remediation Work Plans (RWPs), feasibility studies (FSs), assessment of brownfields cleanup/ redevelopment alternatives (ABCAs), and evaluation of institutional and engineering controls. Reuse planning will be limited due to the clear strategy that the City has in place for its priority sites. The plans will factor in reuse costs, feasibility, and establish environmental objectives at the sites in accordance with applicable cleanup regulations. The City will work with public health officials to find the appropriate course of action to protect human health and the environment.

ii. <u>Schedule</u>: Year 1: 1 RWP/FS/ABCA; Year 2: 2 RWPs/FSs/ABCAs; Year 3: 2 RWPs/FSs/ABCAs.

iii. Leads: Cleanup Planning will be led by the QEP, and reuse planning will be led by the City.

iv. <u>Outputs</u>: 5 RWPs/FSs/ABCAs completed, 3 sites remediated. 3 completed infrastructure evaluations and/or evaluations of market viability.

3.b. Cost Estimates

Budget Categories	Assessment Grant Project Tasks					
(all direct costs)	Task 1 Programmatic	Task 2 Community Outreach and Site Inventory	Task 3 Site Assess. (PHI & PHII ESAs)	Task 4 Cleanup and Reuse Planning	Total Budget	
Personnel	\$6,000	\$5,000		\$9,000	\$20,000	
Travel	\$2,600	\$800			\$3,400	
Supplies		\$1,000			\$1,000	

Contractual		\$6,000	\$428,600	\$41,000	\$475,600
Total Dir. Costs ¹	\$8,600	\$12,800	\$428,600	\$50,000	\$500,000

Note: ¹No fringe benefits or indirect costs will be associated with the grant project tasks; all indirect costs will be in-kind.

Task 1: The City is providing programmatic personnel costs in-kind except for \$6,000 in City personnel costs (120 hours at \$50/hr) towards developing a Work Plan and coordinating with EPA and the QEC. This task also includes \$2,600 for attending one EPA Brownfields Conference and an additional regional brownfield conference (\$1,300/trip).

Task 2: Community outreach costs are \$10,000 and site inventory costs are \$2,800. Included is \$5,000 for City personnel time (100 hours at \$50/hr), \$800 for travel for identifying/confirming new sites and showing sites to interested parties, and \$1,000 for printing and mailing project information and documents. Contractual costs are \$6,000 for QEP time spent conducting community outreach and stakeholder meetings and assisting with inventory maintenance. **Task 3:** The costs for completing Phase I and Phase II ESAs will vary depending on the complexity and whether Ecology is involved. The grant budget includes contractual costs of \$428,600 based on 15 Phase I ESAs at \$4,000 each (\$60,000 total), and 10 Phase II ESAs at \$36,860 each (\$368,600 total). These are averaged costs used for budgeting, based on past experience; actual costs vary. **Task 4:** City personnel costs of \$9,000 (180 hours at \$50/hr) are included for infrastructure evaluations and evaluations of market viability. Contractual costs for this task are estimated at \$41,000 based on completing five RWPs at \$8,200 each.

3.c. Measuring Environmental Results

The outputs in Section 3a will be tracked and reported to EPA via quarterly reports and ACRES. The following outputs will be tracked and documented a quarterly basis to ensure on-time scheduling and notifications if deadlines are missed: (1) number of potential brownfields identified/prioritized, (2) number of Phase I and II ESAs, (3) number of sites for which remedial planning is performed, and (4) number of community meetings held. The City, with support from the QEP, will document, track (via quarterly reports), and evaluate the following outcomes for brownfields where brownfield grant funds are used: (1) number of sites assessed, (2) number of sites and acres of land redeveloped, (3) number of acres of parks/greenspace created, (4) dollars of investment leveraged, (5) number of jobs created or retained due to redevelopment, (6) increased property and sales tax revenue generated, and (7) increased property value.

To ensure that project activities are completed within the grant period, we will establish a project schedule with milestones for progress evaluation as part of our project Work Plan. We will measure project progress against the schedule and outputs outlined above. Any significant deviations from the Work Plan will be noted and discussed with the EPA Project Officer to develop corrective actions. The City will refine the project schedule/milestones as part of the Work Plan to ensure activities are completed within the three-year period. The City will continue to update ACRES beyond the project end date to ensure outcomes continue to be captured.

4. Programmatic Capability and Past Performance

4.a. Programmatic Capability

4.a.i., 4.a.ii., and 4.a.iii. Organizational Capacity, Structure, and Key Staff

The City has the organizational capacity to successfully manage this grant, having overseen numerous Federal, State, and local grant and loan programs, including the FY19 grant and the \$45 million East Bay cleanup project mentioned in Section 1. Key staff have the technical, administrative, and accounting capabilities and management systems, and include individuals with direct grant funding/management, brownfield, and redevelopment experience. The City has extensive experience identifying and resolving land ownership, liability, zoning, permitting, and entitlement issues, which will be beneficial in early identification of roadblocks throughout inventory, prioritization, and site selection. If awarded, this grant will have the same team and structure as the FY19 grant.

Mr. Mike Reid, the City's Economic Development Director, will serve as project director, and all staff and consultants will report to him. Mr. Reid was also the project director on the successful FY19 grant (Section 4.b. below) and is directly responsible for formulating and recommending policies and programs to advance economic development initiatives for the City. He has over 13 years of experience in economic development, grant management, community development, and real estate development. Mr. Reid has directly been engaged in numerous brownfield

redevelopment projects under the FY19 grant. Mr. Reid has valuable experience in facilitating meetings and community visioning in the arena of community redevelopment.

Mr. Leonard Bauer, the City's Director for Community Planning and Development, will help coordinate, as he did for the FY19 grant. He previously served as Director of Growth Management Services at the WA Department of Commerce for 12 years, and prior to that spent 14 years as a planner and planning director at various local governments, helping adopt and implement comprehensive plans and development regulations. He is the co-author of a Land Use Dispute Resolution Handbook and has won several national awards.

Mr. Reid and Mr. Bauer will lead the City's GIS, planning, engineering, legal, financial, and administrative staff to ensure successful project implementation and timely completion of the required reporting, ACRES database updates, and financial documents. They will also lead the QEP, which will be contracted to assist in managing the grant and conducting project activities (e.g., assessments/cleanup planning).

4.a.iv. Acquiring Additional Resources

The City has substantial resources, including technical and support staff, to assist with implementation activities. The City has proactive succession plans if staff changes are required, to ensure staff are reassigned that have appropriate qualifications and experience. The City routinely works with contractors and has established equal opportunity procurement procedures for ensuring a fair bidding and proposal evaluation process. A qualifications-based procurement process will be used (in conformance with 2 CFR 200 and 2CFR Part 1500) to procure a QEP to assist with project implementation. The process will include advertising an RFQ on the City's dedicated RFPs/RFQs webpage, followed by a review of submitted proposals by a selection committee formed to choose the top QEP based on submitted qualifications and prior experience. The selected QEP will be experienced in all aspects of EPA Assessment Grant management and have extensive experience with, and understanding of, the Model Toxics Control Act (MTCA; Washington's regulatory framework). The City will also partner with the community groups mentioned in Section 2b to assist with grant tasks. No additional expertise/resources beyond those listed above are expected to be necessary to successfully complete the project. Should additional resources be needed, federal procurement requirements (2CFR Part 200 and 2CFR Part 1500) will be followed. SBE/MBE/DBE/WBEs will be contracted for drilling and laboratory analytical portions of the project, if available, consistent with the FY19 grant procedures. 4.b.i Past Performance - Currently Has or Previously Received EPA Brownfields Grant FY19 Coalition Assess. Grant (grant BF01J66201-0)

(1) Accomplishments: Outputs: 1 Grant-wide QAPP, 17 Phase I ESAs, 11 Phase II ESAs, 1 cleanup plan, 9 Quarterly Progress Reports (to date), two annual Disadvantaged Business Enterprise (DBE) and Federal Financial Reports (FFR), and ACRES profiles for each site. Focused cleanup actions are occurring at the Hardel priority site and the 2021 Boulevard site using private funds prior to development. Outcomes: 15 sites/55 acres were designated as ready for reuse. Five mixed-use commercial/residential developments, three additional residential developments, a computer repair/website design store, a homeless shelter/resource center, two supportive housing facilities, and two marinas are currently underway/planned/operating at sites assessed by the grant. Thurston County Economic Development and City staff estimate that the planned redevelopments will result in approximately 900 new residential units (including 96 affordable/supportive housing units), over 800 full-time equivalent jobs, and over \$300 million in leveraged private funds. The FY19 grant EPA PM recently stated "your program has demonstrated success in engaging property owners, broker[s], architects, and the community at large in addressing brownfield[s] for a variety of reuses. Even during the restrictions from the Covid-19 virus, your team was able to not only continue to meet the projected timelines, but to exceed outlined timelines! I commend you.' (2) Compliance with Requirements: The FY19 grant period is 10/2019 through 9/2022. The City has maintained compliance with the terms and conditions of the CAs (including the work plan/schedule, site eligibility and uses of funding), and provides timely, thorough progress reports and detailed ACRES entries. As of application submittal, over 85% of the budget was expended. Outputs and outcomes to date have exceeded goals established in the Work Plan (Section 4.b.i.(1)). The Grant Closeout Report & Final DBE/FFR will be submitted upon grant closeout. Community outreach is ongoing, knowledge of the grant is spreading organically, and we are receiving additional requests from the community monthly. Based on current usage, the grant will be fully expended conducting additional Phase I and II ESAs by the end of January 2022.

Threshold Criteria Responses

III.B.1. Applicant Eligibility: The City of Olympia (City) is a general purpose unit of local government in the State of Washington and is eligible for funding.

III.B.2. Community Involvement: The City understands the importance of community involvement in planning. During formation of the City's Comprehensive Plan, feedback from citizens and community leaders guided development. Following notice of an Assessment Grant award, the City will announce the award and the availability of the draft Work Plan to the community through a press release to the local newspaper (The Olympian) and by posting a notice on the City's website. The City will send written or electronic notices to local business leaders (bankers, real estate brokers, developers). The City will post information to their Facebook page, LinkedIn group, and Twitter handle, which will allow the community to interact with the City during the entire project. The City will include instructions on how to reach these internet forums in the initial press release. Hard copies of the draft Work Plan will be made available at City Hall and local public libraries for access by those without computer access. The public will be able to provide comments verbally to City staff, electronically on Facebook/LinkedIn/Twitter, and in writing by email or letters to the City of Olympia. The comments will be discussed during a public meeting hosted by the City. The draft Work Plan will be modified in response to relevant comments. To ensure the targeted communities are engaged, the project team will canvass target neighborhoods with the meeting announcements and risk awareness educational materials. Kick-off meetings will be recorded and posted online for citizens who cannot attend. Meeting materials/minutes will be posted on Facebook, LinkedIn, Twitter, and the City's website with hard copies available at locations described above. The City will present the reasoning for site selection at public meetings and solicit feedback. The City will use community comments and project viability as metrics to access grant funds.

Following Work Plan approval, the City will schedule a public kick-off meeting to acquaint the community with the project and its goals. The public will be asked to identify brownfields they feel are impacting community health and welfare, which will be added to the inventory. After completing an assessment, information will flow outward to the community, notifying local stakeholders of results, and explaining health and environmental impacts. Assessment results will be posted on the City's website, Facebook, LinkedIn, and Twitter, with hard copies available as previously described. If health threats are identified, written notices will be sent to impacted citizens and the Thurston County Health Department will be contacted. When cleanup and/or redevelopment planning is initiated, explanations of plans and solicitation of comments on those plans, will be implemented. Monthly updates will be provided at public meetings and the project close, the City will hold a final public meeting to discuss the project outcomes. Virtual options will be provided for those unable to attend all public meeting or uncomfortable attending due to COVID.

III.B.3. Named Contractors and Subrecipients: No named contractors or subrecipients are included in the grant application. A qualified environmental professional will be selected upon award of grant funds in compliance with the fair and open competition requirements in 2 CFR Part 200 and 2 CFR Part 1500.

III.B.4. Expenditure of Assessment Grant Funds: The City of Olympia is currently the lead member of a FY2019 EPA Coalition Brownfield Assessment Grant. Drawdown exceeding 70% has occurred prior to October 1, 2021, in accordance with EPA requirements. The City's momentum with the coalition grant sets up well to receive additional funding through a FY2022 EPA Community-Wide Brownfield Assessment Grant. Drawdown confirmation/information is attached on the following pages.