

Martin Luther King Business Park St. Louis Commerce Center Site St. Louis City, Missouri



Developer

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Challenge

Included in the City of St. Louis' vast portfolio of abandoned properties were sixteen city blocks located on the economically distressed North Side. The City funded the completion of Phase I environmental site assessments, identifying prior use that included plating facilities, foundries, dry cleaners, chemical companies, and numerous salvage yards and gasoline filling stations. The potential contamination associated with historic site uses represented one additional hindrance to the redevelopment of the area. It became clear that understanding the environmental concerns associated with these parcels would be a key component in the future improvement and development of this neighborhood.

Solution

St. Louis Development Corporation (SLDC), with the assistance of Environmental Operations, Inc. (EOI) and members of the St. Louis Regional Commerce and Growth Association's (RCGA) Brownfield subcommittee, submitted a Brownfield Pilot grant application to USEPA Region VII. This resulted in the SLDC securing \$200,000 in funds that were used to conduct extensive site investigation. The SLDC registered all of the former gas stations in the State of Missouri's Petroleum Storage Tank Insurance Fund, which would help control many of the expenses associated with UST-related releases. The City escrowed the proceeds of the sites' sales to cover certain remediation and demolition expenses.



The completed investigations, combined with the remediation-funding options available from the City and the State, allowed Balke Brown Associates to consider redevelopment of much of the property. EOI, retained by Balke Brown to continue the site's environmental engineering and remediation activities, investigated commercial insurance policies to cap and control expenses associated with site contamination. EOI also worked closely with the financing sources, providing detail on the risk-management tools that would limit the site's environmental liabilities.

The area was declared an eligible site in Missouri Department of Economic Development's (MDED) Brownfield incentives program and entered into Missouri Department of Natural Resources' (MDNR) Voluntary Cleanup Program (VCP). More than \$1,200,000 in tax credits was approved by the DED to offset cleanup costs. Balke funded additional site investigation and remedial design activities. EOI developed remedial options with the potential to significantly reduce the site cleanup costs, which were submitted and approved by the VCP. Cleanup was completed under the direction of the VCP and an interim "No Further Action" (NFA) letter was requested and received, permitting Balke Brown to expedite construction work. The final NFA letter was received for a portion of the site shortly thereafter.



Results

Balke Brown has recently completed the second phase of The St. Louis Commerce Center, providing 487,000 square feet of Class A distribution and service space. The completed buildings, fully leased, represent approximately 200 new jobs. Projections for additional improvements include capital investment of more than \$10 million and the creation of more than 300 new jobs. The immediate and surrounding area has experienced considerable growth and investment including commitments for the redevelopment of twelve of the original sixteen city blocks, which will represent hundreds of jobs and millions of dollars of investment.

The St. Louis Commerce Center is a prime example how numerous governmental, public, and private groups can work together and turn a Brownfield into a productive development. The local community and the State of Missouri will directly benefit from the investment. The considerable efforts of the USEPA, DED, MDNR, SLDC, Balke Brown, and EOI have resulted in the economic improvement of the area and have transformed an environmental liability into productive, marketable real estate. In 2001, the St. Louis Commerce Center was the recipient of the Phoenix Award, a national award honoring notable Brownfield projects as models and inspiration for urban redevelopment.

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