



Canton Crossing

BALTIMORE, MD
2007 REGION 3 WINNER

Key Project Lesson: Liability concerns can be addressed to the satisfaction of “deep pocket” owners, and successful redevelopment can go forward.

Overview

The Canton Crossing project spurred the development of a large, mixed-use community on a property that was home to an oil refinery for more than 100 years. Located in the historic neighborhood of Canton in southeast Baltimore, the former refinery occupied prime real estate in an area coveted by businesses and residents since the 1700s for its strategic location on the harbor. The development project allowed Canton to regain its prominence in Baltimore as a premier neighborhood to live, work, and play.

Canton Crossing's success has been characterized by cooperation among the site owners, developers, and environmental agencies and a strong remediation plan. Already, more than 1,800 jobs have been attracted to the site. As the project moves forward, the Canton Crossing development is expected to stimulate additional economic development and continue to improve the standard of living in the Canton neighborhood and surrounding community.

Featured Partners

- Hale Properties LLC
- Maryland Department of the Environment
- Environmental Resources Management
- Maryland Department of Business and Economic Development (MDE)
- GeoTrans, Inc.

Primary Reason for Redevelopment

With its proximity to I-95 and waterfront location, the Canton Crossing site seemed ripe for cleanup and development. Though the cleanup challenges were daunting and there was initial resistance to redeveloping this site, the Canton Crossing project began to make sense as development trends shifted from downtown to long-established Baltimore communities such as Fells Point and Federal Hill.

Approach

To plan for site cleanup, the property was divided into two distinct, 11-acre parcels: the waterfront parcel and the tower parcel. The waterfront portion of the site was previously used as a marine terminal for the transfer of petroleum, and as a motor oil canning facility. The tower parcel was used primarily for bulk oil storage and to transfer oil through pipelines. The environmental concerns for both pieces included underground pipes, tanks, fill material, foundations, and contamination due to spillage and leaks. Remediation activities included excavation and removal of contaminated soil, underground pipes, concrete, and other materials. Remediation of both parcels began in September 2004 and was completed by February 2005 when the property received a “No Further Action” notice from the Maryland Department of Environment (MDE) – just six months after the remediation had started.

Innovative Techniques

This project is one of the largest privately owned brownfield redevelopment projects in the State of Maryland. The working relationship established between Canton Crossing LLC, ExxonMobil and the MDE resulted in an exceptional cleanup strategy. Liability issues were addressed in a way that all parties found acceptable for the long term. Since this project is extremely important to the overall regional economy, public-private partnerships evolved with significant support from the local and state governments, the community, and various economic development organizations. The project has leveraged over \$1.3 million in grants and loans to facilitate cleanup activities, with the developer covering the remaining \$2.5 million. The high visibility of this project increased public awareness of the importance of redeveloping brownfield sites. Canton Crossing also allows for access to the Baltimore Harbor and adjacent municipal parks, which was not possible before the project. The plan's "smart growth" takes advantage of the nearby interstate highway system for commuting access and the local neighborhood as a potential employee market, and also provides housing. The plan also provides access to retail services in the area, including restaurants and grocery stores.

Furthermore, innovative methods were used to remediate both parcels. All of the petroleum-contaminated soils removed from these parcels were transported off-site for treatment and recycling. The treatment consisted of physically and chemically binding the soils to prevent leaching of petroleum. Because of its quality, structural strength, and permeability, the treated soil was then used as fill for roads, foundations, and other applications. This recycling method was efficient because it did not waste the contaminated soil after removal. Clean soil was then brought in to replace the materials that had been removed from the site. Finally, green building methods, such as thermal spacers, lighting control systems, and waste heat recovery, were incorporated into building construction.

Challenges

Canton Crossing is only the second mixed-use development on a brownfield site in the City of Baltimore. As such, the greatest challenge was getting the community, ExxonMobil, and MDE all on the same page regarding remediation. Because of the soil contamination at the 22-acre property, a huge cleanup effort was required—one that needed to be both cost-effective and adequate for the projected new uses. Once all stakeholders began to see the potential benefits of the remediation for everyone involved, they began working together to get the land in prime shape for redevelopment.

Benefits

A 17-story "Class A" office tower and utility distribution center already have been completed. These mark the beginning of what will be the premier mixed-use development in Baltimore, an eventual \$1 billion private investment. As construction continues, Canton Crossing will attract even more businesses, retail stores, residents, and hotels. Overall, the entire project will feature one million square feet of office space, 270,000 square feet of retail space, 450 hotel rooms, 500 condominiums, a 200-slip upscale marina, and open green spaces for the entire community to enjoy. None of these project components would have been possible without the initial successful remediation of the oil-soaked land.

The Canton Crossing project already has attracted more than 1,800 new jobs to the Canton area, marking the rebirth of southeast Baltimore's economy. As the development continues, new jobs and business enterprises will help boost the local economic base. Revenues from property taxes and income taxes will help the local and state governments fund projects and improvements to benefit the surrounding communities.

Before



After





Address:	Hale Properties LLC, 1501 S. Clinton Street, Suite 1600, Baltimore, MD 21224
Phone:	(443) 573-4956; Primary Entity's Main Phone Number: (410) 558-HALE
Names of Participants:	Hale Properties, LLC, Maryland Department of the Environment, Environmental Resources Management, Maryland Department of Business and Economic Development, GeoTrans, Inc.
Number of Acres:	22 acres
Former Uses:	oil refinery
Current Uses:	office/commercial park
Former number/Types of jobs:	2,000, terminal and refinery jobs
New number/Types of jobs:	1,800, corporate, retail
Type of Site:	industrial (oil refining/related activities)
List of Major Contaminants:	petroleum
Magnitude of Contamination:	significant
Greatest Challenges:	liability concerns, fear of redeveloping contaminated sites
Length of Time to Remediate Site:	1 year and 10 months
Primary Reason for Redevelopment:	proximity to major highways and waterfront
Years Abandoned or Challenged:	20 years
Cleaned up under Consent Decree:	yes
List of Financial Assistance:	Maryland Economic Development Assistance and Authority Fund – \$1.3 million
Other Financial Techniques Utilized:	enterprise zone property tax credits
New Tax Revenues:	\$1,000,000
Community Outreach Activities:	public meetings throughout the process
Innovative Remediation Techniques:	off-site soil treatment and recycling
Sustainable Development:	green building construction; open space/waterfront access