



Downey Landing

DOWNEY, CA
2007 REGION 9 WINNER

Key Project Lesson: Federal agencies can deploy innovative site cleanup and closure techniques to participate creatively as partners in the brownfield reuse process.

Overview

The 167-acre former National Aeronautics and Space Administration (NASA) Industrial Plant at Downey has been converted into an \$800 million, state-of-the-art, medical facility complex, movie studio, and bustling retail center. Named Downey Landing, the site features a 30-acre regional Kaiser Permanente hospital facility with over one million square feet of medical office space; a 34-acre, 375,000-square-foot commercial retail center; a renovated film studio with over 1 million square feet of space; a 13-acre public park; and the Columbia Memorial Space Learning Center, which honors the legacy of America's space program through historic exhibits and interactive space science programs.

Featured Partners

- NASA
- U.S. General Services Administration (GSA)
- International Risk Group, LLC
- ARCADIS
- City of Downey
- State of California

Primary Reason for Redevelopment

Economic considerations drove the decision to develop a reuse plan for the former NASA Industrial Plant at Downey. The site was home to the Apollo and Space Shuttle construction programs, and the facility had operated in Downey for 70 years, manufacturing aircraft, rockets, and missiles. Closure of the NASA facility had seriously impacted the local and regional economy. Reuse was seen as a way to advance the city's overall economic recovery effort and replace the thousands of lost aerospace-related jobs. The site was one of the last large tracts of land in the city available for development. Therefore, it made sense for Downey to pursue a privatized brownfield reuse approach.

Approach

Work on this project was divided into four phases. During the first phase, NASA investigated the site to identify potential legacy contamination in anticipation of eventual site closure and transfer. The investigation found about 105 acres with subsurface groundwater contamination. The second phase started in June 2000, when NASA initiated soil remediation under the supervision of the California Regional Water Quality Control Board-Los Angeles Region. This effort continued until November 2003, when GSA transferred the remainder of the site to the City of Downey. The cleanup was then privatized, pursuant to the transfer agreement between GSA and Downey. In the third phase, the City of Downey, through the International Risk Group and its contractor, ARCADIS, took over the soil and groundwater remediation effort. Site remediation is ongoing, and closure of the northern and southern PCE and TCE areas of groundwater and soil contamination is expected by 2010. During the fourth phase, which took place between March 2004 and November 2005, the northern portion of the site was redeveloped as a 28-acre retail center. Between 2004 and 2006, the film studio was refurbished and remodeled. The medical office building on the southern portion of the site was completed and began operation in early 2006. Completion of the hospital is expected in March 2009.

Innovative Techniques

Using state-of-the-art technologies and strategies, the remediation system for the former NASA Industrial Plant at Downey was designed and implemented in close coordination with site reuse plans in order to save costs by allowing remediation and redevelopment to occur concurrently. A multi-party, total environmental liability assumption was arranged, and a complete, guaranteed, fixed-price, remediation agreement was negotiated. The agreement and early transfer under CERCLA was the first of its kind for NASA.

Challenges

The greatest challenge to stakeholders was that no template existed for the early transfer of a federal property to a local municipality by NASA. Such a transaction between federal and local governments was significant due to the complexities of privatization prior to transfer of the property. Several obstacles had to be overcome: Both governments had to be comfortable with the risks associated with transferring a property before completing the cleanup, and neither had ever privatized a property cleanup before. This type of transfer required the involvement of numerous parties and potential regulators with different and often competing interests. Finally, developing and implementing a remediation plan that worked with each owner's individual development plan and schedule—and which allowed the remediation and development to be occur concurrently to minimize costs—was an especially daunting task.

Benefits

Revitalization of the former NASA Industrial Plant at Downey has had positive impacts for Downey and southeast Los Angeles County. The project has stimulated more than \$800 million in private investment. The 30-acre hospital has made Downey a recognized regional supplier of quality medical care, and the refurbished movie studio has become a national filming hot spot. The 34-acre commercial retail center has opened up new retail opportunities and choices for Los Angeles County. The 13-acre public park offers needed open space, and the Columbia Memorial Space Learning Center remembers the history and industrial traditions of the area. This includes part of the original structure of Building 290, which features a panel that displays the signatures of several astronauts.

The city directly benefited from the development of Downey Landing. When it is complete, the project is expected to provide up to 6,000 high-skill, high-wage jobs, many in the medical field. Preliminary estimates indicate that the City of Downey could realize nearly \$45 million dollars in ground leases, sales tax, and property tax revenues by the year 2020.



Location:	Downey Landing, Lakewood Boulevard, Stewart and Gray Road, and Bellflower Boulevard. Downey, California
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Names of Participants:	International Risk Group, LLC, ARCADIS, City of Downey, NASA, U.S. GSA
Number of Acres:	105 acres impacted
Former Uses:	aircraft manufacturing, research, production, and assembly of rockets and missiles
Current Uses:	medical complex, retail, movie studios
Former number/Types of jobs:	30,000 at the height of the Apollo project; engineers and engineering technicians
New number/Types of jobs:	eventually, 6,000, retail sales, doctors, nurses, medical support staff
Type of Site:	federal industrial complex
Regulatory Program:	L.A. Regional Water Quality Control Board's Groundwater Division Remediation Site Cleanup
List of Major Contaminants:	trichloroethene, tetrachloroethene, and chlorofluorocarbon-113
Magnitude of Contamination:	trichloroethene, 2,000+ pounds; tetrachloroethene, 5,000+ pounds; and chlorofluorocarbon-113, 24+ pounds
Greatest Challenge:	no template for the real estate transaction between the federal government and local government
Length of Time to Remediate Site:	2 - 6 years, depending on parcel
Primary Reason for Redevelopment:	advance the city's overall economic recovery effort
Years Abandoned or Challenged:	since 1996 (site walks initiated by NASA in 1995; NASA contractors vacated ~ 2000)
Cleaned up under Consent Decree:	no
List of Financial Assistance:	offsite public infrastructure improvement matching grants by the U.S. Department of Commerce's Economic Development Administration
New Tax Revenues:	\$45 million estimated by 2020
Community Outreach Activities:	public comment period, town hall meetings, public ribbon-cutting ceremony
Innovative Environmental Regulatory Techniques:	aggressive, goal- and objective-focused communications enabling remediation accomplishment; building trust through validation of results to sustain regulatory support for expedited cleanup measures
Innovative Remediation Techniques:	initiated early use of demonstrated pilot studies to remove significant quantity of contaminant mass with minimal regulatory burdens; identified available excess remediation capital equipment for early siting and remediation operations startup
Innovative Economic Development:	agency agreements to allow concurrent cleanup and redevelopment
Land Conservation:	13 acres of public park, upon completion
Federal Partners:	NASA, GSA