

HORIZONS

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SCI Engineering, Inc.

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Missouri Brownfield Tax Credit Program

By: Glen Grissom

With the recent downturn in the development market, it is more important than ever to be aware of the resources available to assist in making redevelopment projects economically feasible. An important tool for assisting in the redevelopment of property, especially in the urban core, is the Missouri Brownfield Tax Credit program administered by the Missouri Department of Economic Development (DED). The central part of the program is a tax credit to offset the remediation costs associated with environmental impairments to the site. The program will provide tax credits up to 100% of the cost to perform remediation.

In order to qualify for the program, the development must meet a series of impact criteria: it must be abandoned or underutilized, it must be contaminated, and it must create jobs. If the development meets these criteria, the site must then be enrolled in the Brownfield/Voluntary Clean-up Program (B/VCP) administered by the Missouri Department of Natural Resources (MDNR). The B/VCP oversees the remediation activities and provides a certificate of completion at the conclusion of the project.

Concurrently with the B/VCP activities, an application package must be prepared and submitted to DED which details the project specifications including such things as job creation and financial information. The more jobs created and money invested in the project, the more tax credits that will be available.

In addition to the remediation of soil and groundwater, other remedial costs such as the abatement of lead-based paint and asbestos are also eligible for tax credits. Brownfield tax credits may also be issued to offset the costs assumed with the demolition of structures that are located on impacted sites. It is common for demolition costs to exceed the actual abatement of the environmental impairments.

"SCI's knowledge and expertise relative to tax credits and environmental issues was extremely beneficial for the Switzer project to move forward. When we lost the building to the storm that devastated the St. Louis area, the very next morning, SCI called with a plan of action needed to address the immediate environmental issue caused by the collapse. SCI will continue to be a member of our team for this project and future projects as well."

Richard Darragh, Owner/Manager
Clarinet LLC

If there is a drawback to the program, it is the amount of time it can take to receive approval from the DED, perform the necessary remedial activities, and get a Certificate of Completion from MDNR. Receiving approval from the DED can often take more than 90 days for compliance sites or those that have extended environmental issues. SCI strongly encourages anyone who thinks they may have a Brownfield site to contact us as early in the development process as possible to discuss the potential for Brownfield Tax Credits.

Lorman Educational Services is hosting a seminar on *Urban Development and Redevelopment in Missouri* on April 16, 2008. See the "In the News" section for details.

The Switzer Building

The Switzer Building redevelopment project is located in one of the last surviving portions of St. Louis' original street grid and commercial developments. Originally built in 1874 for the Excelsior Manufacturing Company, maker of the Charter Oak Stoves, the building later became the home of Switzer Candy. Switzer was one of the first participants in the redevelopment effort of Laclede's Landing. The building was in the process of being renovated into commercial, retail, and urban loft space when it was severely damaged during a major thunderstorm in July 2006. After numerous attempts to save this historic structure, the Switzer Building was in disrepair and was demolished in 2007. SCI has been working with the developer of the Switzer Building project since 2006 to provide assistance with Brownfield Tax Credits. The Switzer Building project was approved for \$850,000 in Brownfield Tax Credits to help offset environmental related expenses.



- Geotechnical
- Construction
- Environmental
- Natural Resources
- Cultural Resources



No "Safe" Level for Radon

Radon is a radioactive carcinogen which can cause lung cancer. The risk of lung cancer from radon exposure is directly related to the amount of exposure.

According to the U.S. Environmental Protective Agency, a home owner should consider taking steps to reduce radon in their home when the level reaches four picocuries per liter (pCi/L). However, there is no safe level of radon. Radon is a radioactive gas that is formed by the natural breakdown of radioactive elements present in soil and rocks. Radon is present everywhere and the average concentration in outdoor air is approximately 0.4 pCi/L. . The following table was produced by the USEPA and illustrates the risks of radon exposure:

Radon Level	Lifetime Risk of Lung Cancer Death (per person) from Radon Exposure in Homes		
	pCi/L ^a	Never Smoked	Current Smokers
20	36 out of 1,000	26 out of 100	11 out of 100
10	18 out of 1,000	15 out of 100	57 out of 1,000
8	15 out of 1,000	12 out of 100	45 out of 1,000
4	74 out of 10,000	62 out of 1,000	23 out of 1,000
2	37 out of 10,000	32 out of 1,000	73 out of 10,000
1.25	23 out of 10,000	20 out of 1,000	73 out of 10,000
0.4	73 out of 100,000	64 out of 10,000	23 out of 10,000

a pCi/L — picocuries per liter.

As can be seen in the table, even exposure to average levels in outdoor air results in some lung cancer risk and the risk increases with exposure. The average indoor radon level in the U.S. is approximately 1.25 pCi/L. Elevated levels can often be reduced through the use of radon mitigation measures such as sealing routes of entry or installing a radon detection system. Many of these measures can be added at the time of construction to produce radon resistant homes.



TRIVIA QUESTION

From our PREVIOUS issue:
What are the five Federal Energy Act requirements for underground storage tanks?

The first 5 people to email ipace@sciengineering.com with the correct answer wins an SCI coffee mug.

If you don't know the answer, check out our Web site and the next issue of HORIZONS.

Project Scientist, **Glen Grissom** and Architectural Historian, **Susan Sheppard**, are guest speakers at the *Urban Development and Redevelopment in Missouri* seminar hosted by Lorman Educational Services on April 16, 2008. **Karl Ruhmann , P.E., R.G.**, Vice President and Director of Environmental Services will be the moderator.

SCI Engineering, Inc. received an Honor Award for its natural resource work on the **Des Peres Medical Arts Pavilion** project in the Engineering Excellence Awards competition sponsored by the American Council of Engineering Companies.

Jeffrey Langston, R.G., Senior Project Scientist, was recently elected Chair of the St. Charles County Commission on Environmental Quality (CEQ). The CEQ is a nine member board appointed by the County Executive, and approved by the County Council. The Commission advises the County Executive and County Council on environmental concerns with the goal of conserving the County's natural resources and preventing degradation of the environment.

Anthony Kreutz, Director of Business Development, has been elected to the East Central College Foundation Board and the St. Johns Foundation Hospital Board.

Steve Carey, P.E., has been hired to manage the construction services at the Union Office. Steve spent the past 27 years as the Franklin County Highway Administrator.

SCI's Rolla office held an official Ribbon-Cutting Ceremony on March 7, 2008.

Tracy Abernathy has been promoted to Marketing Manager.

Sarah Stock, P.E. has been promoted to Project Engineer.

Yong Wu, PhD, P.E. has been promoted to Project Engineer.

Matthew Jung has been promoted to Branch Manager of the Springfield and Rolla offices. Project Engineer **Julie A. Carroll, P.E.**'s responsibilities have expanded to serving SCI's Springfield and Rolla, Missouri offices.

New Clean Fill Requirements

By: Trey Coad, CHMM

New changes in the clean fill requirements in St. Louis County means more testing needs to be performed before using painted masonry materials for fill. The St. Louis County Department of Health has recently determined that all painted masonry materials from all demolition projects must be tested for heavy metals before using them as clean fill.

This new testing requirement pertains to all structures, from single family homes to large commercial structures. Prior to new requirements, the painted masonry materials from residential projects were required to be tested only for lead-based paint.

While lead-based paint is the most common heavy metal paint, additional heavy metals have historically been used in paints and can also cause environmental issues if disposed of improperly. In addition to lead, the presence of heavy metals such as arsenic, mercury, chromium, cadmium, selenium, silver, and barium must be evaluated prior to demolition, if the concrete, brick or block is planned to be used as clean fill.

If your demolition project is not located in St. Louis County, the Missouri Department of Natural Resources (MDNR) is likely going to be the governing agency when it comes to clean fill guidelines. All painted masonry material from a residential demolition project is required to be evaluated for the presence of lead-based paint. All commercial related masonry material must be tested for each of the eight heavy metals if they are going to be reused for clean fill.

Painted brick, block, and concrete that is going to be disposed of at a licensed solid waste or demolition landfill does not have to be tested for the presence of heavy metal-based paint, including lead.

In order to minimize landfill disposal, the recycling of demolition debris is strongly recommended, however, proper disposal methods are essential. For example, other building components such as wood and metal can also be recycled, however, these materials must be taken to an appropriate recycling facility or salvage yard. The requirements for demolition related activities vary by municipality. SCI recommends all demolition activities be performed in accordance with federal, state and local codes. ≡

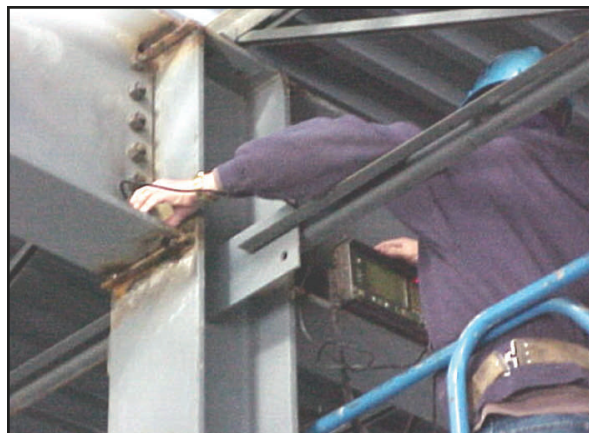
Special Inspections

By: Jacob Westerman, ICC

As many of you know, SCI has been on the forefront of special inspections for the past three years. We have given numerous seminars on special inspections to various engineering and architectural firms as well as general contractors and city building departments. Our goal is to help everyone understand special inspections and the benefits of having a qualified special inspector on a job site.

In the past, special inspections have not been mandatory for buildings in the state of Missouri, but now it seems that this will be changing in the near future. Jefferson County issued a letter on December 18, 2007 stating the following:

“The Jefferson County Building Department, effective immediately, will begin to require the owner, or the registered design professional in charge, acting as the owners agent, to provide one or more special inspectors to provide inspections during the construction on all types of work listed under section 1704 of the 2004 I.B.C. The qualifications of the special inspector will need to be reviewed by the code official in order to determine if the special inspector will be approved for the required inspections.”



Several cities around the St. Louis area are beginning to enforce special inspections for new construction. It is estimated that within the next two to three years, cities will start requiring certified personnel to perform these inspections. These new codes will increase the demand for qualified technicians (certified special inspectors) because, by code, building departments cannot perform special inspections themselves.

Contact Jacob Westerman for additional information at (636) 757-1019.



NOON - 1:00 PM - St. Charles, MO
Thursday, May 15....."Brownfield Tax Credits"
Thursday, June 19..."Missouri Risk-Based Corrective Action"

Interest in SCI's popular *Lunch & Learn* presentations continues to grow. Our presentation on **Brownfield Tax Credits** is a natural outgrowth of the environmental services we have provided on many brownfield projects, including Gaslight Square and the Switzer Building. Questions have been raised by developers about these tax credits that are often overlooked. Discover how they can work for you.

Our latest presentation is the **"Missouri Risk-Based Corrective Action"** process. It includes a discussion of risk assessment topics such as site characterization, representative concentrations, Default vs. Risk-Based Target Levels, future land use, and Activity and Use Limitations. The

process is utilized for sites in Missouri participating in the Brownfield/Voluntary Clean-up Program as well as other programs such as the Underground Storage Tank Program.

Both presentations will be held in our St. Charles office at 130 Point West Blvd. Lunch starts at 11:45 and the presentations begin at 12 noon and typically run about an hour.

You will be receiving an **SCI FYI** email reminder a little closer to the dates. (If you want to be sure you're on the list to receive future emails, sign up at www.sciengineering.com).

We offer these as a value-added service to our clients. There is no charge, but seating is limited. To make a reservation, please email jgodar@sciengineering.com.

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