



Real Estate Development and Contaminated Sites: Achieving Success in Today's Regulatory Environment "Real Estate 200"

June 19-20, 2007

US EPA Region 8, Denver, CO



COURSE OBJECTIVES

This course is an in-depth opportunity to learn how to redevelop a contaminated property. Participants will focus on how environmental cleanup costs, regulatory policies, and liability issues impact the real estate transaction and how these issues influence the making of a successful real estate deal. In addition, case studies will involve a "to-scale" planning exercise in order to help you understand issues surrounding the integration of cleanup and redevelopment. Please note that although "Real Estate 200" is a follow-on course to the "Anatomy of a Real Estate Development" (offered in Denver in April 2004), the earlier course is *not* a prerequisite.

WHO SHOULD ATTEND

Program staff, managers, and attorneys from EPA, states, tribes, and local government. The course may be of particular interest to staff from the waste, watershed, economic development, brownfields, voluntary cleanup, and community-based programs.

REGISTRATION

There is no registration fee to attend this course. However, all participants must register by visiting <http://www.trainex.org/>. Type "Real Estate" in the search box to locate the course (the first on the list). Upon clicking the "Register" button you will be prompted to enter the password RE200. Be sure to select one of the three workgroup categories in which to participate (Superfund, RCRA, or Brownfields), or one will be assigned to you randomly. *As the course is limited to 45 people, please be sure to cancel your registration on the website if you find you cannot attend to make space for others.* If you have any questions, please contact Diane at (301) 589-5318, extension 22.

LOCATION

The training will be held in the Bison/Bitterroot Conference Rooms in the *new* EPA Region 8 Headquarters Building (see address and location information below):

US EPA Region 8
Conference Center (2nd Floor)
1595 Wynkoop St.
Denver, CO 80202
www.epa.gov/region8/about/newbldg.html

This building will soon be LEED certified at the Silver Level!

DIRECTIONS TO US EPA

From Denver International Airport: Take Pena Boulevard South to I-70 Westbound. Go west on I-70 to the I-25 Southbound (Colorado Springs) exit I-25. Proceed south to the 20th Street Exit (Coors Field) and turn left onto 20th Street. Proceed to Wazee Street and turn right. Turn right onto 19th Street to Wynkoop Street. Turn left on Wynkoop Street. US EPA is on the right at the corner of 16th and Wynkoop Streets.

From the West: Take I-70 East to the 6th Avenue East exit. Proceed on 6th Avenue East to I-25 North. Take I-25 North to Auraria Parkway Exit (Auraria Parkway turns into Market Street). Turn left onto 15th Street. Turn right onto Wynkoop Street to 16th Street. US EPA is on the left at the corner of 16th and Wynkoop Streets.

From the South: Take I-25 North to the Auraria Parkway exit (Auraria Parkway turns into Market Street). Turn left onto 15th Street. Turn Right on Wynkoop Street to 16th Street. US EPA is on the left at the corner of 16th and Wynkoop Streets.

From the North: Take I-25 South to the 20th Street exit (Coors Field). Turn left onto 20th Street. Proceed to Wazee Street and turn right onto Wazee St. to 19th Street. Turn right onto 19th Street to Wynkoop Street. Turn left on Wynkoop Street. US EPA is on the right at the corner of 16th and Wynkoop Streets.

Parking: Public parking is not available at US EPA Region 8. Nearby parking lots cost about \$10/day.

By train: The EPA office is adjacent to the Union Station stop on Denver's light rail system (<http://www.rtd-denver.com/LightRail/lrmap.htm>).

LODGING

Holiday Inn Denver City Center
1450 Glenarm Pl.
Denver, CO 80202
Phone: 303-573-1450
<http://www.hoteldenver.net/>

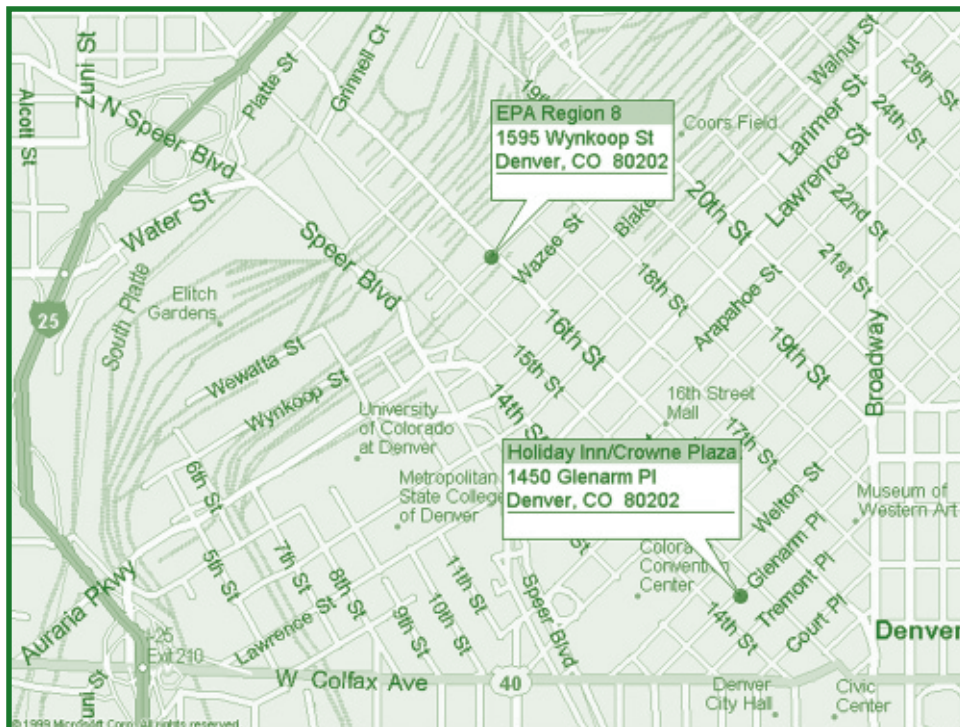
For out-of-town participants who would like to stay nearby at the Holiday Inn Denver City Center, rooms are being held at the government rate of \$127/night plus 14.85% state and local taxes for the nights of June 20th and June 21st. To make your reservation, please call 866-696-3617. You must guarantee your reservation with a credit card. To get the \$127 rate, you must make a reservation by May 25th. Please inform the reservations desk that you are with the *Environmental Protection Agency*. Check-in is at 4pm and check-out is at noon. If you need to cancel, please do so 48 hours prior to 6pm the scheduled day of arrival or be penalized one night room fee + tax.

Parking: Parking is \$16/night with in/out privileges.

Getting to the Hotel: Visit <http://www.hoteldenver.net/location.php> for directions to the hotel.

DIRECTIONS FROM THE HOTEL TO US EPA REGION 8

Free Shuttle: Walk 1 1/2 blocks to the 16th Street Mall and board the free shuttle (<http://www.rtd-denver.com/SpecialRides/MallShuttles/>) going west in the direction of Union Station. The Wynkoop Street stop, about 1 mile along the route, is adjacent to the EPA building at 1595 Wynkoop St.



COURSE AGENDA

<p style="text-align: center;">Day 1 Tuesday June 19</p>	8:30-9:00	Registration and Light Refreshments
	9:00-9:15	Overview: Purpose and Goals of Course
	9:15-11:00	Module I: Seed Capital to Cashing Out: How Finance drives the Development Deal Real Estate 101 revisited The Role of the Developer What is a <i>Pro Forma</i> ? Introduction to Leverage Financing Phases Sources and Uses Schedule The Deal Structure Types of Developers/Development Environmental Value Pyramid Environmental Impact on the Deal The Case for Sustainability Green Buildings and Financial Performance Case Study: Background
	11:00-11:15	Break
	11:15-12:15	Module II: Market Analysis: How the Pros and Locals Decide What to Build The Real Estate Cycle What is a Market Analysis? Different Kinds of Studies The Market Analysis Process and Market Data What Drives Demand? Supply Influences The Reuse Assessment Marketing Opportunities for Green Buildings Case Study: Market Analysis
	12:15-1:15	Lunch
	1:15-2:00	Module III: Planning and Zoning: Control at the Local Level Site Relationship to Neighborhood Design in the Context of Neighborhoods The Tasks Required before the Site Plan is Developed Zoning Analysis - What is Regulated Locally? Case Study: Planning and Zoning Considerations Characteristics of a Well Planned Site Characteristics of a Sustainable Landscape Case Study: Three Options for Development
	2:45-3:00	Groups Report Redevelopment Concept
	3:15-3:15	Break
	3:15-4:00	Presentation of Case Study Environmental Data Group Exercise #2: Due Diligence – Identify Deal breakers Every developer needs to consider the upside and downside of purchasing any property. The property is contaminated. Participants will work together to explore the potential “deal breakers,” including environmental cleanup, regulatory policy, and liability issues. They will formulate initial strategies for addressing deal breakers. As an example, participants will consider such issues as Bona Fide Prospective Purchaser (BFPP), windfall lien, uncontrolled costs, financial responsibility, as well as other issues based on the individual program. Group Discussion- What are the deal breakers/risks for developing this property?
4:00-5:00	Group Exercise #3: You Bought the Property! – Make your Deal Happen Determine the impact of the contamination on your design. Make changes to the remediation approach and see the financial impact of cleanup. Practice integrating cleanup and redevelopment. Determine your best strategies for minimizing risk issues. Participants will use laptops computers to calculate the financial pro forma of the development scenario considering the impact of contamination.	
5:00	Adjourn	

Day 2 Wednesday June 21	8:45-9:00 9:00-10:00	Coffee and Registration Module IV: Brownfields to Green Development What is Green Development? Smart Growth—It's About Location Sustainable Landscape Marketing Green Buildings Green Buildings and Finance Energy Production at Brownfields Sites
	10:00-10:15 10:15-11:15	Break Module V: Risk Analysis: How the Developer Identifies and Controls Risk Where are the Risks? Risk Management Approach Environmental Risk Management Which Risks Concern Developers? Risks and the Redevelopment Cycle: Short, Medium and Long-Term Risks Risk Allocation Risk Transfer Risk Reduction Addressing the Liabilities
	11:15-11:45	Module VI: Financing the Deal – Sustainability and Project Finance The Impact of Time on the Deal Sources of Funds Revisited Cashing Out The Role of Institutional Owners Options for Cashing Out Institutional Controls and Permanent Finance
	11:45-12:45 12:45-1:30	Lunch Breakout Exercise #4- Develop A Risk Management Plan – Prepare for Permanent Financing Based on the previous exercise, develop a preferred scheme and cleanup approach that maximizes the sustainability of the redevelopment. The goal of all developers is to cash out. In this final exercise, the group discusses their plan for addressing short, medium and long-term risk issues as part of the deal completion phase of the project. This includes paying for cleanup, addressing risk and regulatory hurdles, and defining strategies for ensuring long-term sustainability of the cleanup. Prepare your case for presentation to the bank.
	1:30-2:30 2:30-3:00	Group Discussion- Present Case to Group Module VII: What Lies Ahead – Ready for Reuse? EPA Program Initiatives Public-Private Partnerships Taking on Tough Sites Greening Contaminated Property Redevelopment Achieving a Balance
	3:00	Adjourn

PRESENTERS

Barry Hersh
 Brownfields Redeveloper
 Vita Nuova LLC and Associate Director
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Michael B. Taylor
 Brownfields Redevelopment Consultant, President
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