

DEPARTMENT OF ECOLOGY
Toxics Cleanup Program
MEMO

January 29, 2019

TO: Maia D. Bellon, Director or Designee

FROM: James J. Pendowski, Program Manager
Rebecca S. Lawson, P.E., LHG, Southwest Regional Manager *RSX*
Toxics Cleanup Program

SUBJECT: **Former Weyerhaeuser Sawmill Aberdeen**
FSID: 1126, CSID: 4987

The Grays Harbor Historic Seaport Authority (GHSA) requests a 90 percent/10 percent – state/local match:

The GHSA is requesting that Ecology modify the local match requirements to a 90 percent/10 percent match for Oversight Remedial Action Grant No. TCPRA-2018-GrHSA-00039 (\$2,070,000 state share).

If this request is approved, Ecology will provide the GHSA a grant totaling \$2,070,000 and GHSA will provide \$230,000 for a total of \$2,300,000. Ecology previously provided the applicant an IPG grant of \$200,000 and RAG grant of \$150,000 at 90 percent/10 percent match both of which have been spent. The Toxics Cleanup Program staff and managers have reviewed the project details and the statutory provision related to reducing local match requirements. The applicable reasons for providing a 90 percent/10 percent match include:

- Prevent or mitigate unfair economic hardship imposed by cleanup liability.
- Create new substantial economic development, public recreational opportunities, or habitat restoration opportunities that would not otherwise occur.
- The increased match would create an opportunity for redevelopment of brownfield property under RCW 70.105D.040(5) that would not otherwise occur.

The Former Weyerhaeuser Sawmill Aberdeen project meets the following conditions identified in MTCA legislation for reducing the local match for eligible project costs.

- **Prevent or mitigate unfair economic hardship imposed by cleanup liability.**
 - As a public development authority, the GHSA does not have the authority to levy taxes to generate revenue. Meeting standard match requirements would take away from their ability to use limited resources to repair docks, rehabilitate buildings, etc. that are needed for economic development and develop a homeport for the tall ships which are a cornerstone of the redevelopment concept.
- **Create new substantial economic development, public recreational opportunities, or habitat restoration opportunities that would not otherwise occur.**

- GHSA has conducted a community-based planning process, funded in part by an Ecology Integrated Planning Grant. Redevelopment of the property intends to create a working waterfront that builds on the maritime economic base of the region that also attracts tourists to the area, creating economic benefits both from direct job creation as well as additional spending from visitors. The presence of contamination inhibits the ability to redevelop the property. Use of limited GHSA funds to match cleanup grants reduces the ability to fund economic development projects.
 - Public Recreation Opportunities—The Seaport Landing site was formerly an industrial sawmill that provided no public access. While the City of Aberdeen has 11 miles of shoreline, there is very little public access. Plans for redevelopment include a number of public access and recreation opportunities including access to the existing dock and a waterfront trail.
 - Habitat Restoration Opportunities—Plans for redevelopment of the property also include habitat restoration along Shannon Slough and the Chehalis River. The Seaport Authority has received a \$35,000 grant from the Rose Foundation to support low impact development storm water design and habitat restoration along Shannon Slough. The Seaport Authority is pursuing other grants, including Washington State Coastal Restoration and Resiliency Initiative funds to design and implement restoration of Shannon Slough.
- **The increased match would create an opportunity for acquisition and redevelopment of brownfield property under RCW 70.105D.040(5) that would not otherwise occur.**
 - The property meets Ecology’s definition of a brownfield site. It was previously developed but has been underutilized since the sawmill closed. Environmental, economic, and community reuse goals for the property are hindered by the release of hazardous substances. GHSA’s actions are expediting cleanup and redevelopment of the property.

This Remedial Action Grant Funding will support the completion of the:

- Remedial Investigation
- Feasibility Study
- Interim Cleanup Actions to address upland contamination sources; and,
- Grant & Project Administration

Financial Summary		
	Total Estimated Costs	State Share
<i>Oversight Remedial Action Grant</i>	\$2,300,000	\$2,070,000
Total	\$2,300,000	\$2,070,000

Site History:

The former sawmill facility includes both upland property and leased tidelands. GHHS acquired the property for a nominal price and assumed cleanup liability in 2013 and has entered into a tidelands lease with the Department of Natural Resources (DNR). Previous investigations have confirmed upland contamination included petroleum

hydrocarbons and pentachlorophenol. The sediments are contaminated with petroleum hydrocarbons, dioxin mixtures, PCBs, carcinogenic PAHs, and mercury.

Redevelopment Potential:

GHSA is a public development authority chartered by the City of Aberdeen. Its mission is to promote and preserve the maritime traditions of Grays Harbor and Washington State. It is the home of the Lady Washington (the official tall ship of Washington State) and Hawaiian Chieftain tall ships. GHSA proposes to conduct a remedial investigation and feasibility study, and implement interim remedial actions to address historic impacts at a former waterfront sawmill in Aberdeen. The Seaport Landing site was formerly an industrial sawmill that provided no public access. While the City of Aberdeen has 11 miles of shoreline, there is very little public access. Plans for redevelopment include a number of public access and recreation opportunities including access to the existing dock and a waterfront trail.


Recommendation:

TCP recommends approval of the GHSA request for the 90/10 match for an oversight Remedial Action Grant to conduct a remedial investigation/feasibility study and develop an interim action plan for the Weyerhaeuser Sawmill Aberdeen Site. The additional grant match will mitigate unfair economic hardship from cleanup liability in an already economically disadvantaged area and create new economic development, education, recreation and habitat restoration opportunities.

Section/Regional Manager Review: Rebecca S. Lawson Date: 1/29/2018
Comments:

TCP Management Team Review:  Date: 2/4/19
Comments:

Director/Designee Approval: ✓ Disapproval: _____

Signature:  Date: 2/7/19
Comments:

