

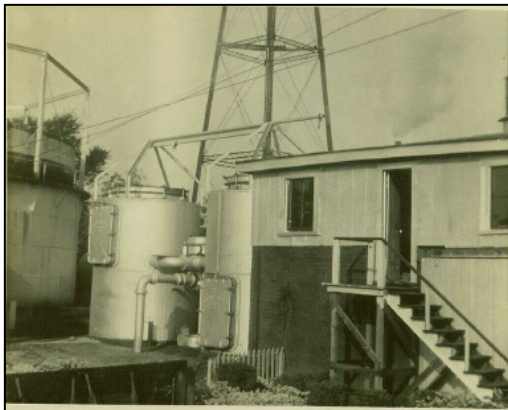
Washington, North Carolina: The Washington Center

Building for the Future, Respecting the Past: Brownfields Redevelopment Comes to Little Washington

Located at the “Heart of the Inner Banks” on the Pamlico River in Eastern North Carolina, the City of Washington has a rich and varied history. Founded in 1776, “Little Washington,” as the city is affectionately known, was the first town to be named after future President George Washington. Traditionally a shipping town due to its strategic location accessible to coastal and inland rivers, the city grew to become a center for agriculture, fishing, and commerce. Now less reliant on shipping, today Washington is a destination for culture, tourism, and medicine.

Proud of its heritage, Little Washington has worked hard to restore the city’s historic character, particularly its downtown waterfront district which is listed on the National Register of Historic Places. In the early 1990s the city also embarked upon a major downtown revitalization effort, which is still underway. However, Little Washington continues to face deterioration in areas adjacent to its downtown Historic District. Fortunately, the North Carolina Department of Environment and Natural Resources’ (DENR) Brownfields program is helping local developers play a role in revitalizing these prominent downtown properties.

The Washington Center redevelopment is currently one of Little Washington’s most important revitalization efforts. Encompassing 3.8 acres and situated just a block away from the waterfront, this historic property was for several decades a locally-owned Dr. Pepper bottling plant, Roberson Beverages. Later the site became a boat storage facility before falling into disrepair. However, the site’s first use as a manufactured gas plant (MGP) from 1857-1947 complicated redevelopment efforts due to suspected coal tar contamination. Underground petroleum storage tanks also posed environmental risks and needed to be removed. Despite these environmental hurdles, developers



Little Washington’s Manufactured Gas Plant when it was

Jack Ulrichs and William (Bill) J. Ziegler hope to turn this abandoned, overgrown, and underutilized site into a mixed-use, commercial and residential development. Ulrichs explains the project “...will blend into the cityscape with a look to the future of Washington’s urban development plans.” While its modern design is distinct from the stately Victorian homes found nearby, the project will nevertheless be an attractive, unobtrusive addition to the historic downtown. With help from Progress Energy, the organization assuming responsibility for the MGP cleanup, and the North

Carolina Brownfields Program, which is helping to address any additional contaminants, redevelopment plans on this potentially complicated site are quickly becoming reality.

Little Washington and the Washington Center Site

Little Washington's downtown struggled for many years with problems of slum lords, crime, drugs, and prostitution. The city's historic African American community, which dates back to the days of George Washington, has been particularly burdened by these difficult circumstances. In the late 1980s and early 1990s problems were especially severe. County Commissioner Stan Deatherage explains:

"Houses had fallen into disrepair. There was no incentive whatsoever to renovate the houses or at least even keep them up... It's like a synergy of hopelessness... you see police cars on your street more than you do the citizens that live there... it was considered the worst neighborhood in town."

Ironically, the Washington Center site had been somewhat insulated from the surrounding neighborhood's problems, but as the city was able to implement improvements on nearby properties and revitalize the downtown Historic District, the site started slipping into further disrepair. Not just an eyesore, the site's poorly maintained buildings became a safety hazard as their roofs began to collapse inwards.

Daphne Olszewski, former project manager for the North Carolina Department of Environment and Natural Resources described the site: "This place looks like a brownfields. Some of them don't...some of them are just underutilized and they're not really that bad, but this one looks bad." Developer Jack Ulrichs has a similar impression of the property: "I just don't want to look at that site. There are big bushes overgrowing both sides. You just don't want to see that site. And most people we talk to feel the same way. You just don't want to look at it because it's such an eyesore."



Removing an Eyesore: The Washington Center Site after Demolition

It took a lot of imagination to see beyond the blight and recognize the site's potential. Fortunately, former developer Ralph Dramstad, one of the project's visionaries, was not afraid to tackle a complicated, urban brownfields property. Dramstad explained, "I've been a building developer for about 32 years and my interest is infill sites. I'm not one who cares for going out in the country and developing it." As a developer in the Little Washington area for many years, Dramstad had kept his eye on the site, recognizing its ideal location near the waterfront and good access from major thoroughfares. When working with Dramstad on another project, Jack Ulrichs expressed interest in developing a local site. The two became collaborators and along with Bill Ziegler, began to plan the Washington Center redevelopment. Unfortunately, Dramstad ultimately had to stop work on the project. However, his participation in the early phases helped advance the redevelopment on its journey from dream to reality.

Ulrichs and Ziegler envision a mixed-use development that will accommodate 15 commercial and retail businesses on the first floor, 66 residential condominiums on upper floors and 110 underground parking spaces. At seven stories, the complex's compact design leaves ample room for other amenities such as greenspace, a plaza with fountains, above-ground parking, and a market or restaurant. The Washington Center's developers are very eager to break ground and begin construction. However, although demolition took place more than a year ago, it was only recently that the site's environmental issues were resolved.



Architectural Sketch of the Washington Center

In May 2007 DENR and Progress Energy, the two entities sharing assessment and remediation tasks on the Washington Center site, completed cleanup activities. Progress Energy addressed contamination associated with the former manufactured gas plant and its coal tar deposits, such as polynuclear aromatic hydrocarbons, benzene, and toluene. The brownfields program helped to identify and address additional environmental concerns, including underground gasoline and diesel tanks. DENR officials also studied the site's drainage patterns to ensure that water was not being inappropriately routed to an old separator. Soon DENR will finalize a brownfields agreement and the Washington Center's developers will receive a release of liability. The site's remediation will help to enhance the city's environmental quality, but the community will also benefit from the Washington Center redevelopment in other ways.



Site Demolition

Public Benefit and the Washington Center Redevelopment

In order to receive the liability and tax relief benefits offered under North Carolina's brownfields program, applicants are required to demonstrate how their project will offer "public benefit" to the local community, usually in the form of job creation or increased tax revenues, although less quantifiable benefits such as the removal of blight, aesthetic improvements, and environmental remediation are also considered. The Washington Center project was easily able to show evidence of public benefit. The project is expected to create 300-400 construction jobs, 75 permanent jobs, and homes for over 100 people. Furthermore, tax revenues are expected to jump from \$3500 a year to over \$450,000 annually, plus another \$75,000 in annual utility revenues. Former Brownfields Project Manager Daphne Olszewski remarked, "...it's pretty marginal space they had and this would be considered a higher use—much higher tax base, it would employ people [and]...there's going to be a [public] parking deck." She also emphasized that the project could be a catalyst for more redevelopment: "...a lot of times if you clean up one part of town the next part...domino effect."

Once DENR project managers are confident that a potential project will indeed benefit the community, public notification procedures commence. Citizens are informed about the potential project through postings on-site, in the state register, and in local newspapers. These postings

mark the start of a 60-day comment period. Although DENR staff members believe the public has adequate opportunity to comment, they find that very few citizens offer feedback. Former project manager Daphne Olszewski explains, “We don’t get a lot of public participation...that’s always been the problem. The one good thing I think is that we do ask for signs to go up which...if you see the sign on that property and it says ‘public notice’ sometimes you’ll stop and look, but we still don’t get [much participation].”

However, since the Washington Center brownfields property is the site of a former manufactured gas plant, DENR and Progress Energy wanted to take extra care to inform and involve the community—especially because the remediation of coal tar produces a strong odor. DENR and Progress Energy decided to host an open house where community members could come learn about the contamination and remediation procedures, meet DENR officials, Progress Energy representatives, and the developers, and, finally, get a preview of the Washington Center development plans. Although the meeting was hosted in an accessible location near the site and was advertised by mail to neighbors, no unaffiliated community members showed up. Still, participants found the activity to be a useful exercise because it allowed the involved parties to meet each other face-to-face. Ulrichs describes his thoughts on the open house:

“I think it’s fabulous. I think it’s really great...you really get a lot more done. I think it’s really important that you meet these people who are on the other end...you meet them in-person and you know, the personal touch is really what makes things happen, because without it if you’re just on the computer going back and forth, writing letters, and making phone calls, you’ve not put a face to the name and it’s very difficult to get things done.”

Apart from participating in the open house, the Washington Center’s developers did not engage in any additional public outreach activities such as talking to community groups or hosting public meetings, but they did come into contact with local community members. A small church group had been renting a meeting space on the site, but in order to move forward with the project Ulrichs and Dramstad needed to demolish the building. First, however, they had to issue the group notice to find an alternative meeting space. In the process, Ulrichs and Dramstad were able to share their development plans and listen to the group’s concerns about relocation. Ulrichs explains, “They weren’t happy with it so we gave them an extra two or three months to find another site and we gave them all the things inside the church which they wanted, beams and whatever else...I mean, they weren’t happy but they were satisfied.” Although they were disappointed about relocating, the church officials “didn’t object” to the development plans. Dramstad explained, “...poor or wealthy ...I think everybody likes to see a change, you know, and like[s] to participate in it and see something nice and new develop. We find...they were very much in favor of it.”

Although there are not any additional plans to reach out to community members, local government authorities and non-profit organizations are active in the surrounding communities and have done substantial work targeting the disadvantaged neighborhoods nearby. Director of Planning and Development for the city Bobby Roberson describes some of the challenges local governments face when working with disadvantaged populations: “There’s some mystique about low to moderate income individuals regardless of the color of their skin, is that they just believe that, you know, the government wants...their house.” He explains that to allay citizens’ fears the city “Give[s] speeches at African American churches about the program we’re actually running...that seems to help a lot.” The city council also makes one-on-one visits to local churches. Roberson also mentions that the city council’s two minority members “carry the flag for us a little bit” and are able to help build trust with community members. City officials are confident that the Washington Center

redevelopment will benefit the city and be embraced by local citizens. As they plan for their community's growth and beautification, city and county officials are making serious attempts to ensure that disadvantaged community needs are identified and met.

Lessons Learned

With help from the North Carolina brownfields program, the Washington Center redevelopment project is poised to contribute to Little Washington's downtown renaissance. From the start, city officials offered strong support for the project. Director of Planning and Development Bobby Roberson explains, "The thing that made this project interesting is we are a smart growth community and we're definitely looking in mixed used development and what Jack [Ulrichs] had proposed...is basically the theme that we have inside our historic district." By selecting an architectural style that will not sharply contrast with surrounding Victorian homes, Ulrichs and Ziegler are ensuring that the project will complement the Historic District. Furthermore, by modifying design plans to include greenspace and additional parking, the site's developers have demonstrated a dedication to meeting community needs while fulfilling personal development goals.



Sketch of the Washington Center's Public Spaces

Although there was not extensive public involvement, there is reason to believe that local disadvantaged citizens are being adequately taken care of. Local government entities and non-profit groups are working to increase the quality of life for disadvantaged residents near the site. For instance, over the past several years \$5.5 million has been invested on adjacent streets to help stabilize the area and make home ownership an option for low-income, first-time homebuyers. Programs such as these will help defray any potentially negative impacts associated with a large redevelopment project, such as displacement pressures from an increase in property values.

Since North Carolina does not require public meetings, it is up to the developer to decide how to involve citizens. Some developers have limited experience with public involvement, but would be willing to work more closely with citizens if asked to. Through the MGP program, the Washington Center's developers had exposure to the community open house format and were very enthusiastic about it. Brownfields project officers should encourage all developers—even those whose sites do not have serious contamination issues—to engage in a similar public involvement activity.

Although community members did not attend the Washington Center's open house event, they still benefited from being informed about it and given the option to attend. It also could be argued that citizens were in support of the project and did not have serious concerns. However, if developers go to the trouble of hosting a community involvement event, it is preferable for the community to make a showing. According to Ulrichs, Little Washington is an active community and many people belong to groups such as the Kiwanis Club or the Chamber of Commerce. He explains that group memberships keep citizens informed about issues and allow neighbors to help out one another. He explains, "It's really a small community and you know these people personally and you just pick up the phone and say, 'This is what I need.'" By targeting outreach at established community groups,

developers may be able to generate more community interest and discussion regarding their projects.

Overall, participants are confident that the Washington Center project will benefit the adjacent community as well as the city at large. One participant explains, "I think it will be good. I think there's a lot of crime in that area. I think there's going to be more incentive to clean that crime up...once development, nice development, comes into an area, the rats start jumping off ship." He adds, "...that neighborhood hadn't always been a bad neighborhood and some of the people that may still be living there, they'll get to reclaim their neighborhood as well."