

Bannister Federal Complex Property Transfer and Redevelopment

Overview

A little more than two years ago the U.S. Department of Energy (DOE) awarded a contract to brownfield redeveloper CenterPoint Properties to analyze the 300-acre Bannister Federal Complex (BFC) and develop a remediation plan with the ultimate goal to transfer the property to a new owner for redevelopment. At that time, the DOE's Kansas City Plant, later renamed the Kansas City National Security Campus, was preparing to move to a new building about eight miles south of the BFC. The General Services Administration (GSA) was moving to leased space in downtown Kansas City.

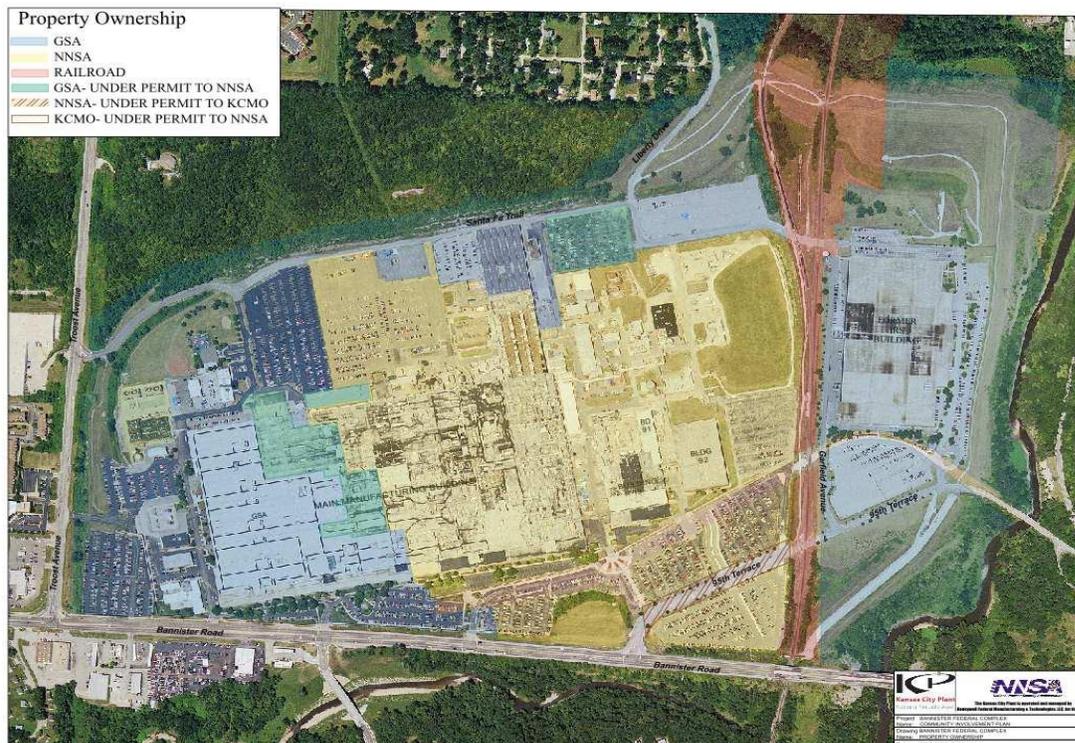
CenterPoint's work covered the entire site, located at 95th St and Troost Ave. in Kansas City, except for the U.S. Marine Corps Data Center located east of the railroad tracks. Currently, the BFC has two owners, the DOE and the General Services Administration (GSA). CenterPoint's team characterized the site for environmental contamination and developed a remediation plan concurrent with demolition of the obsolete buildings on the property. Numerous work plans have undergone review by the Missouri Department of Natural Resources.

In early 2017, the findings of the extensive site analysis are being unveiled to the public. After public comments are appropriately addressed, the Missouri governor will review all the pertinent documents and determine whether the property can be transferred to a new owner. If the transfer is approved, the new owner will start the demolition and remediation work, which is expected to take up to four years and will employ hundreds of workers.

The transfer of the BFC fulfills commitments to local and state officials and members of Congress and the public to dispose of the property in a way that benefits the local community and avoids creating an ongoing environmental and financial liability.

Bannister Federal Complex Background and Environmental History

For more than 70 years, the BFC has served the community as a major employer and served the nation in support of national security and national business administrative services. The BFC, located at 95th St. and Troost Ave. in south Kansas City, Missouri, is owned by the federal government, specifically, the DOE and GSA. These two agencies are committed to protecting the health and safety of their employees, the surrounding community, and being good stewards of the environment. As separate federal entities, they have historically operated side-by-side within the BFC. Both DOE and GSA have been performing environmental investigations and corrective action activities on their respective portions of the BFC under separate environmental programs for a number of years.



During the early 1990s, the DOE, GSA and U.S. Army Corps of Engineers (USACE) completed an agreement, which divided the BFC into specific areas that each agency was responsible for as it pertained to legacy environmental cleanup. DOE would address areas owned by them, as well as additional areas owned by GSA which may have been impacted by DOE operations. The USACE agreed to address the area of a former landfill in the southeast portion of the Complex owned by GSA. All remaining areas of the BFC would be addressed by GSA.

DOE has been actively addressing environmental issues at the BFC since the early 1980s. The DOE used wastewater treatment lagoons, which managed liquid wastewaters from DOE operations that met the definition of hazardous waste under federal and state hazardous waste regulations. As such, DOE addresses its part of the BFC under the Resource Conservation and Recovery Act, or RCRA, with the Missouri Department of Natural Resources (DNR) and the U.S. Environmental Protection Agency (EPA) providing regulatory oversight. In 1989, DOE voluntarily entered into a 3008(h) Corrective Action Administrative Order on Consent with EPA, which directed the investigation and corrective action activities at the facility. In 1999, the Order was replaced by a hazardous waste permit, which transferred the oversight responsibility and authority for the investigation and corrective action activities from EPA to DNR. DOE has extensively characterized the site over the years and has spent over \$70 million to date on environmental cleanup activities.

The GSA operated a warehouse and office space on its part of the BFC. Since 2010, GSA has been performing site investigations, removal assessments and response actions under the Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA,

with the EPA and DNR providing regulatory oversight. This was prompted by employee and local media concerns regarding the health of GSA employees at the BFC. Investigation results to date from GSA areas have not shown risks to human health or the environment.

As discussed above, USACE has been addressing a former landfill in the southeast portion of the BFC. The Department of Defense (DOD) built the landfill in 1943, before DOE or their predecessors came to the BFC. The landfill was used by the DOD tenant and the DOE predecessor from 1949 to 1964, when the DOD closed the landfill. Environmental assessment activities at the landfill are being performed under a program called the Formerly Used Defense Sites (FUDS) which, in Missouri, is overseen by DNR.

In 2011, DOE, in consultation with the GSA and USACE, submitted a hazardous waste permit modification request to DNR and EPA, to combine and promote a consistent, comprehensive approach to the environmental efforts between DOE and GSA. Specifically, the modification request was to add GSA as a Permittee under the existing DOE hazardous waste permit and expand the area addressed by the permit to include the entire BFC, both the DOE and GSA-owned portions. The permit modification, approved in August 2012, brought the entire BFC under one regulatory enforcement mechanism. The initial activities required by the modified permit included a review of previous BFC environmental investigations, a “risk screening” based on current and potential property uses, and submission of this CIP.

In 2013, DOE moved their operations to the new Kansas City National Security Campus, located about eight miles south of the BFC. In 2014, GSA moved their operations to downtown Kansas City. While both DOE and GSA have relocated to new facilities, they remain committed to ensuring positive transformation of the BFC to maintain the viability of the Bannister corridor. In October 2012, CenterPoint Properties was selected as the preferred planning partner for the redevelopment of the BFC. Since that time, CenterPoint has begun a site analysis and environmental review of the complex, to understand the work required to potentially transfer the ownership and responsibility for the BFC from the federal government to CenterPoint. Since CenterPoint is not a permittee, this work is not permit related. Work conducted under the hazardous waste permit will be an integral part of BFC transformation activities.

In addition, other actions required by the National Environmental Policy Act (NEPA) have been completed. NEPA requires that federal agencies consider the environmental consequences of their proposed actions before decisions on these actions are finalized. In accordance with NEPA, the DOE evaluated the potential environmental impacts of its proposal to transfer excess BFC property to a new owner(s). There are differing levels of analysis that a federal agency may undertake to comply with NEPA. In this case, an EA was prepared, and the public was asked to provide their comments on the draft document at a public hearing. In May 2013, the Final EA and a Finding of No Significant Impact (FONSI) were published. The Final EA determined that the proposed action is not a major federal action that would significantly affect the quality of human health and the environment within the NEPA meaning. The FONSI, which is based on the EA, states that the transfer of the Kansas City Plant at the Bannister Federal Complex to a new owner would have no significant impact on the environment. Therefore the preparation of an Environmental Impact Statement was not necessary.