



## Project Milltown Park LLC

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## Project Information



## Project Overview

The City of Sandpoint has a long and proud history. Reflective of the site name, Milltown, the City since its settlement has been a haven for those who dedicate their lives to working in the lumberyards and lumber industry. From the dawn of the twentieth century through the mid-2000s, the mill changed ownership a variety of times until it was finally closed by its last owner, Louisiana Pacific (LP), in 2004, and sold to Renova Partners LLC in 2005. This 26.02 acre site, once the beating heart of the community, was contaminating its neighbors' waters and seemed to be a lesion on this otherwise scenic northern Idaho oasis. One of the other significant challenges in the community was the conversion of the town's economy from lumber and milling to tourism and recreational activities (skiing, fishing, hunting and boating). The community not only lost jobs with the closing of the mills, but also residents were being squeezed into affordable and workforce housing as second-home buyers and empty nesters were moving into the area. Renova's task was not only to clean the site, but to repurpose the land to create new sustainable jobs and housing for the traditional inhabitants of the community. In addition to those important goals, Renova set for itself the goal of completing the remediation using a "smart" approach with a recycling and reuse threshold of at least 90% of all building materials on the site. So began Renova's work to not only complete site cleanup, but also redevelop the property so that it could once again be an asset to the City and its people.

Prior to any remediation, Renova met with the City officials and all of the neighborhood stakeholders to agree upon an end vision of what would be the ideal replacement for the closed mill property. It was clear from the very first meeting that a clean site would not be enough; the community wanted to see improvements to the city services and offerings that would benefit all of the inhabitants

of Sandpoint. The key request for the site was a true mixed-use project that would foster local businesses as well as create affordable housing for the teachers, first responders and working people of the city. We are so happy to state that what has been built on the cleaned property is all that and more. Renova was able to find a local Idaho family grocery store owner, Super 1 Foods, who opened their sixth store in the state offering quality foods at reasonable prices. In addition to the much needed grocery store, a LEED-Platinum affordable housing development, fueled entirely by solar and geo-thermal energy has been built on the site with a second phase in the final planning stage at this time.

The start of the remediation process consisted of standard review of historical records, initial surveys and sampling work that didn't predict the difficult process that was to unfold. Once an Asbestos Survey was completed and a Remedial Action Plan (RAP) was written, the company Renova selected to carry out the clean-up, Tetra Tech, began building demolition. They worked tirelessly through a brutal and icy winter to remove and recycle hundreds of tons of asphalt and concrete – some of which was four feet thick - completing over 3,000 tons of soil excavation. Sampling and disposal of soil and groundwater continued until the site was ready for regulatory review and acceptance.

The road to closure was not an easy one, however. The proximity to Lake Pend Oreille and a very shallow groundwater level dictated a careful process of remediation. Concerns with soil and shallow groundwater included various petroleum hydrocarbons, benzene, VOCs, SVOCs, chlorinated solvent constituents, polycyclic aromatic hydrocarbons, arsenic, and metals – all of which required excavation and disposal. These concerns required that all of the team participants think creatively as how to best complete the goals of the RAP. Teamwork, communication, and innovation greatly assisted the timeline of this project. In fact, when Tetra Tech's subcontractor, Icon, needed a more efficient way to crush the concrete, they invented a new set of excavator jaws that acted as a track hoe attachment. This enabled them to complete the demolition work of the twelve-inch thick concrete walls. What would have been extraordinarily difficult and time consuming work was made exponentially more efficient as a result of this innovation. When demolition was complete, we were able to recycle all of the crushed concrete that was not environmentally impacted. This was not only cost efficient, but also met our recycling and reuse goal in an environmentally responsible manner. Concrete wasn't the only material recycled, either. Underground storage tanks ("USTs") that were made of steel, most of the rebar, and the materials at the former headquarter building were recycled as well. In addition, we were able to repurpose much of the smaller crush as structural backfill. We also communicated weekly and sometimes daily with Idaho DEQ personnel and neighbors to ensure we did not violate expectations for dust suppression, noise or lights. There were challenges during each phase of this work; however, Tetra Tech and Renova were able to brainstorm as a team, working side-by-side with regulatory personnel and subcontractors to determine the best solutions. This way, every decision was on a fast track and approval was nearly instantaneous. By January of 2007, Renova and Tetra Tech were able to obtain complete closure on the site so that no further operation and maintenance was needed. Today, there are no ongoing environmental issues relating to the site.

Once the site reached full closure, Renova set to work to redevelop the site – and community members were anxious to build. After Renova searched the marketplace for an acceptable owner, Super 1 Foods grocery Store purchased a lot on the site and constructed what would soon be one of Sandpoint's central locations to purchase food. Next, Renova worked with local housing developer Whitewater Creek to apply for a USDA Rural Housing Super Green-LEED Platinum loan. After being evaluated on a point-based system by USDA officials, the project scored the second highest in country, earning the developers the \$1 million loan. With that loan and help from the community, the affordable housing was built. At the ribbon cutting ceremony on June 5th, 2013, Tammye Trevino, the National Administrator for USDA's Housing and Community Facilities Programs, recognized Milltown as one of the leading edge projects in the nation for its approach to sustainable energy and efficiency, stating "We're always looking for best-practice approaches to hold up as a model for the rest of the nation." The complex will be the first set of buildings in the Pacific Northwest to attain the prestigious honor of LEED Platinum certification. The buildings incorporate both solar and geothermal heating and cooling systems, which will save residents 80 percent on their energy bills. Excess production of power will be net metered and distributed to the remainder of the City, diversifying Sandpoint's energy portfolio by adding two different types of renewable energy into the mix. Super 1 Foods generated several hundred thousand dollars in direct payment to the City for Parks, Police, Fire and other "impact fees," and an additional amount in off-site improvements dedicated to the City, close to \$1 million in all, as well as \$125,000 in annual property taxes. The housing complex resulted in \$27 million in total income, \$64 million in property value increases, and \$3 million in State tax revenue increases.

It is evident that our redevelopment project met the lofty goals that the community set for us, and it will continue to be a major force in fueling the local economy for years to come. We also believe that the development will act as a demonstration project for how a community and developer can work together to imagine an ideal future for a brownfield site. Through constant and effective communication with all parties involved, including governmental forces, neighbors and members of the community, Renova was able to create a project that is lasting and sustainable.

### ***What makes this project unique?***

What sets this site apart from other brownfield sites is the importance the site had to its community. This mill site was not just a gas station, or a factory in a town of factories, or a small mill in a large town. This was a “life blood of the community” mill that employed thousands through several generations, from as early as the dawn of the twentieth century through the mid-2000s. The impact this mill had on Sandpoint cannot be overstated. Milltown stands out among other redevelopment projects because through our work Sandpoint is no longer is host to dormant, contaminated land. Polluted water is no longer seeping onto its neighbors’ property; tons of concrete are no longer jutting out of the ground; three foot high weeds are no longer breaking through the crumbling asphalt. Business is booming, homes are selling, and the grocery store is creating jobs and stimulating the local economy. Renova’s project shines a whole new light on the City of Sandpoint.

Our project went above and beyond to help Sandpoint stand out as one of the most proactive, forward-thinking, pristine cities in the country. In fact, the affordable housing complex on the site, will be the first set of buildings in the Pacific Northwest to attain the prestigious LEED Platinum certification, the highest honor of the United States Green Building Council awards. Buildings that have attained this rigorous level of LEED certification are among the greenest in the world. We set an example for future developers to develop on previously contaminated land rather than virgin land, to innovate in our remediation techniques, and to rebuild in a way that gives the City something to be proud of.

### ***What were the primary funding sources?***

The former Louisiana Pacific site was remediated and redeveloped with funding provided by Prudential Real Estate Investors of New Jersey. In addition, the Site also received additional Tax Increment Financing from the Sandpoint Urban Renewal Agency, as well as a USDA Rural Housing Super Green-LEED Platinum Loan. Project costs totaled \$8.5 million.

### ***What contaminants were present on the site?***

As can be customary on a site that accommodated a lumber mill for such a long period of time, contaminants were numerous and widely varying in type and hazard. Though it was fortunate that no post or pole treatment took place on site, there still were a myriad of other concerns regarding the soil, proximity to Lake Pend Oreille and shallow groundwater that over time became host to various contaminants from the kilns. Contamination included petroleum hydrocarbons, benzene, VOCs, SVOCs, chlorinated solvent constituents, polycyclic aromatic hydrocarbons, arsenic, and metals – all of which required excavation and disposal. The very dense clay nature of the soil was, however, an effective material that inhibited vertical and horizontal migration of the contaminants on the Site. Over 2,000 cubic yards of contaminated soil from nine different areas of concern were removed and properly disposed of. The evaporation pond, where the sludge from free product existed, was able to be successfully mitigated using a lining that was constructed on site. Environmental remediation costs totaled over \$2.0 million.

## **Social Impact Questions**

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### ***1. Did the project increase job opportunities in the community, or communities, surrounding the site?***

Absolutely! According to an April 2009 Impact Study, the Super 1 Foods grocery store- built on the former mill yard- created 127 construction jobs and 95 permanent jobs. The Milltown Platinum LEED certified affordable housing complex that be home to many Sandpoint residents and provide thousands of dollars to the City in annual property taxes, had over 135 construction jobs and nine permanent jobs. Development of the Site has also had a ripple effect through the City, creating innumerable other jobs in various industries as a result of the increase in activity and traffic in the area. Continued development is projected to create an additional 485 direct jobs and 457 indirect jobs by 2019.

### ***2. Did the project help to decrease local crime rates or to improve human health and safety?***

Yes. Among the most severe problems with the site was the heavy contamination of groundwater. Before our remediation efforts, highly polluted water that contained various petroleum hydrocarbons, benzene, VOCs, SVOCs, chlorinated solvent constituents, polycyclic aromatic hydrocarbons, arsenic, and metals from kilns was seeping onto our neighbors’ property, which posed a serious health hazard. Once regulatory closure by the IDEQ was reached in January 2007, no such hazards existed.

### ***3. What was most challenging about your project?***

As with every revitalization project, the greatest challenges arise from the uniqueness of the site, the fear undocumented issues on the Site, and the quick, out-of-the-box adaptation to those challenges that are required. During the remediation, an unregistered 10,000-gallon underground storage tank (UST) was discovered. This finding prompted additional investigation to ensure the absence of any similar USTs, a time-sensitive task that was not previously anticipated. The project also uncovered several unmarked or wrongly-marked utilities during the excavation process that required immediate responses and repair.

The most notable challenge arose as a result of the sheer volume of concrete that required crushing and recycling off site. To creatively solve this issue, approximately 8,000-9,000 cubic yards of concrete was crushed onsite utilizing a new crushing tool that was invented by our contractor to process the oversized concrete. The initial estimate relating to this work was difficult to quantify at the onset as the numerous structural foundations varied in thickness – up to four feet in some areas. This material was often loaded with thick rebar and utilities which at times hindered the progress of the project. As can be imagined in a far northern point of the United States, the harsh, winter season of the region also proved challenging throughout the project. Snow, ice and cold at times mired progress but our steadfast efforts, as well as our partners, drove the project on to timely completion.

#### ***4. Did the project receive any loans, grants or financial assistance from any public or private organizations?***

Yes. The former Louisiana Pacific site was remediated and redeveloped with funding provided by Prudential Real Estate Investors of New Jersey. In addition, the Site also received additional Tax Increment Financing from the Sandpoint Urban Renewal Agency, as well as a USDA Rural Housing Super Green-LEED Platinum Loan.

#### ***5. Could you describe the collaboration that occurred among multiple parties to enable the project?***

Before the first shovel was put in the ground, Renova started an open, consensus-based process with the town of Sandpoint and its residents to jointly arrive with a vision of what the Project could be. During all stages of the project, Renova made it a top priority to procure materials from local vendors, use local laboratories for the testing components, and involve the community in all ways possible. During the second redevelopment stage, the community even self-initiated their involvement by vociferously supporting the affordable housing on the remediated site.

There were challenges during each phase of work; however, Tetra Tech and Renova were able to brainstorm as a team, working side-by-side with regulatory personnel and subcontractors to determine the best solutions. We also communicated weekly and sometimes daily with Idaho DEQ personnel and neighbors to ensure we did not violate expectations for dust suppression, noise or lights. This way, every decision was on a fast track and approval was nearly instantaneous. We worked diligently to remediate the former mill, while simultaneously coordinating with government officials, and meeting with and involving the community to achieve a finished product gratifying to all.

#### ***6. What type of innovative designs and energy-efficient technologies were implemented?***

Many innovative brownfield techniques were used throughout the project during both remediation and redevelopment phases. Due to a very shallow groundwater level and proximity to Lake Pend Oreille the remediation process had to be carried out very carefully. During demolition it was determined that the project was in need of a more efficient way in which to crush the concrete, due to the sheer thickness and quantity of the material. In response to this, Tetra Tech's subcontractor, Icon, invented a new set of excavator jaws that acted as a track hoe attachment. What would have been extraordinarily difficult and time consuming work was made exponentially more efficient as a result of this innovation.

Innovation was also evident in other activities as well. In mapping stains, building footprints, drains, utilities, possible hydraulic lines and reservoirs, and other areas of concern using GPS prior to the start of onsite work, this allowed for demolition work to be completed in a comprehensive, "whole site" method, eliminating the often tedious, time consuming process of a more serial building-by-building assessment, demolition, then remediation manner of restoration.

Another innovative technique was the construction of an evaporation pond on the Site, which allowed the water from the sludge to evaporate. Once in a solidified state, it was able to be effectively disposed of. This resulted in lower costs for disposal, lower liability related to the transportation of a more voluminous contaminant in fluid form, and a reduced amount of material. The real innovation came with the redevelopment of the site. The site was to be redeveloped into a true mixed-use project that would foster local businesses as well as create affordable housing for the teachers, first responders and working people of the city. Renova was able to find a local Idaho family grocery store, Super 1 Foods, owner who opened their sixth store in the state offering quality foods at reasonable prices. The grocery store has become one of Sandpoint's central locations to purchase food. In addition to the much needed grocery store, a LEED-Platinum affordable housing development, fueled entirely by solar and geo-thermal energy has been built on the site with a second phase in the final planning stage at this time. At the ribbon cutting ceremony on June 5th, 2013, Tammye Trevino, the National Administrator for USDA's Housing and Community Facilities Programs recognized Milltown as one of the leading edge projects in the nation for its approach to sustainable energy and efficiency, stating "We're always looking for best-practice approaches to hold up as a model for the rest of the nation." The complex will be the first set of buildings in the Pacific Northwest to attain the prestigious honor of LEED Platinum certification. The buildings incorporate both solar and geothermal heating and cooling systems, which will save residents 80 percent on their energy bills. Excess production of power will be net metered and distributed to the remainder of the City, diversifying Sandpoint's energy portfolio by adding two different types of renewable energy into the mix.

The innovation is ongoing and there is a higher vision at work for Milltown Park LLC. The future is bright for this brownfield including CCRs in place to ensure an architectural standard, a first-class maintenance obligation, and a commitment to a mixed use Live/Work/Play range of uses for the site. Future uses include a civic conference center with adjacent hotel, a mix of essential services like a bank branch, restaurants, and offices. Additional residential development is planned with a high Walk Score to the community's amenities like the lake and beaches, the Music Festival, the art galleries, etc. The Milltown Park project is a pioneer in brownfield development not just in Idaho, but around the country.

***7. What recyclable materials were used to classify this as a "green" development?***

When demolition was complete, almost 100% of the crushed concrete was able to be recycled and reused. This was not only cost effective, but also environmentally responsible. In addition, the USTs, most of the rebar, approximately 150 tons of asphalt, and the materials at the former headquarter building were all recycled as well. The smaller pieces of the crushed concrete were also able to be repurposed and used as structural backfill. In the end, only contaminated soil and those few materials that could not be reused or repurposed were exported and no materials needed to be imported, successfully surpassing our goal of 90% recycling or reuse of the demolition product.



