



1. Applicant Identification: City of Kannapolis

401 Laureate Way Kannapolis, NC 28081

2. Funding Requested:

a. Grant Type: Multipurpose

b. Federal Funds Requested: \$1,000,000

3. Location:

a. City of Kannapolis

b. Cabarrus and Rowan Counties

c. North Carolina

4. Target Area and Priority Site Information:

- a. Target Area: Central Kannapolis
- b. Census Tracts: 37159051501 (WWTP); 37025040704 (Wyrick MHP); 37025041000, 37025040800
- c. Target Sites:
 - i. Former Pillowtex Wastewater Treatment Plant (WWTP)417 Glenn AvenueKannapolis, Rowan County, North Carolina
 - ii. Former Wyrick Property/Villa Mobile Home Park (Wyrick MHP)612 Venice StreetKannapolis, Cabarrus County, North Carolina

5. Contacts:

Project Director:Chief Executive:Wilmer MeltonMichael B. LeggAssistant City ManagerCity Manager401 Laureate Way401 Laureate WayKannapolis, NC 28081Kannapolis, NC 28081704-920-4231704-920-4309

wmelton@kannapolisnc.gov mlegg@kannapolisnc.gov

6. Population:

- a. Project Area City of Kannapolis: 56,000
- b. Target Area -15,000



7. Other Factors Checklist:

Other Factors	Page #
Community population is 10,000 or less.	
The applicant is, or will assist, a federally recognized Indian tribe or	
United States territory.	
The priority site(s) is impacted by mine-scarred land.	
The priority site(s) is adjacent to a body of water (i.e., the border of the	1-2
priority site(s) is contiguous or partially contiguous to the body of water, or	
would be contiguous or partially contiguous with a body of water but for a	
street, road, or other public thoroughfare separating them).	
The priority site(s) is in a federally designated flood plain.	
The reuse of the priority site(s) will facilitate renewable energy from wind,	
solar, or geothermal energy.	
The reuse of the priority site(s) will incorporate energy efficient measures.	3
The proposed project will improve local climate adaptation/mitigation	3, 6-7
capacity and resilience to protect residents and community investments.	
At least 20% of the overall project budget will be spent on eligible reuse/	
area-wide planning activities, as described in Section I.B., for priority	
site(s) within the target area.	
The target area(s) is located within a community in which a coal-fired	
power plant has recently closed (2013 or later) or is closing.	

- 8. Letter from the State or Tribal Environmental Authority: Attached
- 9. N/A. This application does not have confidential, privileged, or sensitive information.

ROY COOPER Governor ELIZABETH S. BISER Secretary MICHAEL SCOTT Director



November 2, 2023

Mr. Wilmer Melton III Assistant City Manager City of Kannapolis 401 Laureate Way Kannapolis, NC 28081 wmelton@kannapolisnc.gov

Re: U.S. EPA Brownfields Multipurpose Grant -City of Kannapolis

Dear Mr. Melton

The North Carolina Department of Environmental Quality (DEQ) Brownfields Redevelopment Section (BRS) acknowledges and supports the City of Kannapolis in its' application for a U.S. EPA Brownfields Multipurpose Grant. We understand that the Central Area will be the focus of this grant, with the keystone properties being the former Pillowtex Wastewater Treatment Plant and the former Wyrick Mobile Home Park properties. The purpose of the grant will be to promote redevelopment of these target sites for the ultimate goal of affordable housing and creating greenspace. The reuse of these significantly underutilized properties would be a wonderful success story for the City of Kannapolis and the surrounding low-income neighborhood.

The BRS offers technical project guidance to help ensure assessments and cleanups conducted utilizing grant funds are in accordance with our program requirements throughout the life of your project. Coordination with the BRS is critical to ensuring that federal funds awarded are efficiently utilized, with the end goals in mind. The BRS can also assist with evaluating the benefits of entering specific properties into our State Brownfields Program through a brownfields agreement. A brownfields agreement outlines the controls needed to make the site safe for the intended reuse and is often a marketing tool for developers and instrumental in securing redevelopment financing. Additional tax incentives are also available upon completion of Brownfields redevelopment if completed in the State's Program.

We hope that the City is successfully awarded this grant, but we will continue to support you in your Brownfields redevelopment efforts whether a grant is awarded or not. We truly believe successful Brownfields projects can rejuvenate a community.

Sincerely,

Jordan Thompson

Brownfields Project Manager

ec: NCDEQ Brownfields Public Outreach Team



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1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION

1.a. Target Area and Brownfields

1.a.i Overview of Brownfield Challenges and Description of Target Area:

The Central area of the City of Kannapolis (City) is the Target Area for this Grant. The area, bounded by Kannapolis Lake to the west, 22nd Street to the north, Little Texas Road to the east, and Rogers Lake Road to the south, contains the older commercial and residential areas of Kannapolis, most of which were developed prior to the City's incorporation and lacked much oversight in terms of zoning and environmental regulations. The Target Area consists of three EPA-designated disadvantaged Census Tracts and a portion of another Census Tract, with a total of about 15,000 residents. The area was a traditional textile mill community. Cannon Mills, established in 1908, eventually became known as the world's largest producer of sheets and towels. All aspects of life, from housing to road infrastructure to recreation and services, centered around mill operations. By 1984, when the City was incorporated, an estimated 30,000 people were employees of Cannon Mills. During the 1980s and 1990s, Cannon Mills underwent ownership transitions in parallel with the globalization of the textile industry. In 2003, 4,340 workers in the City lost their jobs in the largest one-day layoff in North Carolina (NC) history, when the most recent mill owner (Pillowtex Corporation) filed for bankruptcy protection and shuttered the mill. The City sought to reinvent itself after this economic blow, with the emergence of the NC Research Campus as a hub for health and nutrition-related research in 2008 and the City's purchase of the downtown commercial properties in 2015. While downtown has been revitalized due to the City's efforts and the NC Research Campus has established a small presence, the City's core area has not regained anywhere near the level of employment that used to exist when the mill was in operation. As a result, many of the areas in Central Kannapolis surrounding downtown have experienced disinvestment, especially in older commercial and residential areas. The EPA Brownfields Multipurpose Grant would help create opportunities for revitalization of abandoned and underutilized properties in depressed areas, resulting in more resilient neighborhoods and access to affordable housing, open space, and new jobs.

1.a.ii Description of the Priority Brownfields Sites:

Aspects of the City's history resulted in areas of environmental concern for our community, hindering redevelopment of areas within Central Kannapolis that could serve as catalysts for revitalization and reinvestment if the environmental issues are addressed. Two Target Sites are identified as priorities in the Target Area for this Grant. In addition, the Target Area is characterized by a dozen candidate Brownfield sites, including rail yards, former textile mill operations, former dry-cleaner operations, leaking petroleum underground storage tank (UST) sites, hazardous waste disposal sites, gas stations and automotive repair, and other abandoned industrial properties.

Former Pillowtex Wastewater Treatment Plant (WWTP): This site consists of approximately 88 acres and was developed by the mill in the late 1940s to treat wastewater from the nearby former Pillowtex Plant No. 1 facility and a portion of the City. During operations at the site, the former WWTP facility reportedly used unlined ponds for caustic (i.e., bleachery) wastewater, wastewater treatment filter cake, and fly ash settling. In addition, the facility operated a fly ash landfill and wet-weather fly ash disposal area. Although the fly ash landfill and wet-weather fly ash disposal areas have been capped, two fly ash settling ponds have yet to be closed/capped at the site. Since the mid-2000s, limited investigations have been conducted at the site to evaluate the ponds and subsurface conditions. Results of the investigations indicate groundwater, surface water, and soil have been impacted by metals and/or organic compounds at levels that may pose a threat to human health. Recent investigations have determined that over 80,000 cubic yards (CY) of exposed fly ash (and related materials) are present. Furthermore, engineering assessments conducted to assess the stability of the fly ash landfill and wet-weather ash fly ash area indicated stabilization controls may be warranted to protect the adjacent sensitive community. However, the property owner (Castle & Cooke, which was also the owner of the former mill) did not take the necessary steps to close the fly ash ponds, monitor groundwater, or remove coal ash residuals. The new owner, Insite Properties, recognizing the environmental issues on the site, has proposed donation of the

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property to the City. The City sees this property as a potentially valuable property for future parks and recreation use for underserved residents but needs to further evaluate the environmental issues to ensure that sensitive populations are not impacted, as the WWTP site is adjacent to vulnerable populations, including a Head Start pre-K program for disadvantaged children and a nursing home which serves senior citizens and disabled residents.

Wyrick Property/Villa Mobile Home Park (Wyrick MHP): This 10-acre site was a mobile home park established in the 1980s to provide much-needed housing for the adjacent underserved community. The property had fallen into severe disrepair after the previous owner (Wyrick) had passed. In 2010, a citizen complaint to the City led to the discovery of numerous battery casings in an open drainage area that served as a junction for two sections of pipe carrying the stormwater conveyance. Soil erosion around the pipes exposed the battery casings. Subsequently, EPA removed about 3,500 tons of battery casings and leadimpacted soil from the site as part of a time-critical removal action. Results of post-removal sampling indicated that elevated concentrations of lead remain in the soil; however, groundwater at the site has not been fully assessed and is a significant environmental data gap for the site and surrounding properties. In 2015, the City used HUD Community Development Block Grants (CDBG) to pay for the demolition and removal of the 50 mobile home units on the site and ultimately took ownership of the property. A tributary to Cold Water Creek runs along the edge of the Wyrick MHP site and feeds into Lake Concord, a drinking water source for the City. The tributary experiences flooding due to frequent impediments to water flow and nearby residents complain about flooding, mosquitoes, and other related issues from the stream, which are likely to be exacerbated by climate change. Previous flooding also washed out a portion of McLain St that used to connect to Fairview St. The street is adjacent to the project site and affects connectivity to the surrounding low-income neighborhood. The City sees this site as a future pedestrian-friendly, affordable multi-family residential area that would provide needed housing, reconnect the neighborhood, and provide more equitable pathways to high-quality local jobs through access to public transportation and services.

1.a.iii Identifying Additional Sites:

There are additional sites within the Target Area that are potential candidates for eligible grant activities. The potential sites will be prioritized based on environmental health risk, as well as redevelopment potential aligned with revitalization plans. For example, the City has completed preliminary planning for the Midway area of the Main St corridor. A cluster of properties along this area, including former dry-cleaners, gas stations, and auto repair shops, could be potential sites to be strategically evaluated if grant funding remains after addressing the Target Sites. These potential commercial and light industrial properties (particularly dry-cleaners) are a potential contamination source of trichloroethylene (TCE), which EPA and the NC Department of Environmental Quality (DEQ) considers to have potential health risks to women of childbearing age. Consistent with EPA's recent proposal to ban TCE in consumer products and "most commercial uses," the assessment of these types of sites will help manage risks associated with environmental media such as drinking water and indoor air. Furthermore, the use of grant funds for additional Phase I and II site assessments will help identify sites within the Target Area that pose a significant risk to human health and the environment. The criteria for prioritizing the potential additional sites include supporting existing revitalization plans within disadvantaged census tracts, increasing impact by addressing multiple sites within the same area, identifying areas of disproportional poverty or minority representation, supporting the creation of highquality jobs, and addressing health and safety concerns for exposed sensitive populations, such as children, seniors, and women of childbearing age. Considering the demographics of the surrounding neighborhoods and the disproportionate impact that environmental contamination has on these sensitive populations will be the priority of the evaluation process to further promote environmental and economic resiliency of the underserved communities.

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1.b Revitalization of the Target Area

1.b.i Overall Plan for Revitalization

Plans have been developed for the overall revitalization of the Wyrick MHP site. Affordable housing was identified as one of the top three issues in the Cabarrus County 2020 Community Needs Assessment and was identified as a priority by the City Council in its 2023 Imagine Kannapolis strategic plan. It is extremely difficult for households earning 30% to 60% of the area median income to pay for housing costs without sacrificing in other areas such as food or healthcare. The City's Affordable Housing Market Study from 2019 found that 4,715 households are housing cost-burdened and in need of affordable housing. The City has partnered with developers to secure awards from the NC Housing Finance Agency for low-income housing tax credits to increase the affordable housing supply. For the Wyrick MHP property, the City issued a Request for Proposals and selected Wynnefield Forward to purchase the property based on their track record and management. Wynnefield developed the Autumn Crest tax credit apartments one mile south in 2016, and the project had over 1,000 households on the waiting list. Wynnefield was awarded tax credits for the proposed 72-unit Maple Ridge Apartments on the Wyrick MHP site to serve families earning 30% and 80% of the area median income. If completed, the Maple Ridge Apartments will support the City's goals to increase its affordable housing stock for the underserved neighboring community.

In its Imagine Kannapolis strategic plan, City Council ranked amenities for youth and retirees as high priorities, including the need for more parks, greenways, and natural areas, based on community input from resident surveys, Parks & Recreation Facilities focus group, and the City's Youth Council group. The City's population has grown rapidly, but the parks, athletic fields, and greenways have not been able to keep up with the growth. Health disparities within minority populations, including childhood obesity, are ongoing concerns for our community residents. The WWTP property represents an opportunity to convert a brownfield site to recreational uses to enhance the parks and recreational offerings for our residents. The location of the site is prime for connecting to and extending the existing Bakers Creek Greenway, which would then connect users to Bakers Creek Park, Village Park, City Hall, Atrium Health Ballpark, downtown Kannapolis, and the NC Research Campus. The WWTP property is adjacent to the Big Elm Nursing Home as well as the McKnight Child Development Center, which is the pre-K Head Start program and serves low-income families. Any redevelopment of the WWTP property for recreational uses would provide the students at McKnight Child Development Center as well as their families with increased access to parks and natural areas.

1.b.ii Outcomes and Benefits of Overall Plan for Revitalization

Clean-up and redevelopment of the Wyrick MHP site would result in at least 72 affordable housing units for local residents, nearly half of whom rent, as well as access to public transportation and services, and addressing the impacts of creek flooding with stream restoration. Providing affordable housing will result in economic benefit and increased quality of life to residents in the Target Area. Residents are concerned about road connectivity in the area due to flooding and the closure of McLain St, as well as mosquitoes, snakes, and other vermin related to the spreading of creek waters onto neighboring properties. Stream restoration will provide protection from flooding and other climate change impacts to a lower income area. Furthermore, the proposed Maple Ridge Apartments will be Energy Star compliant and incorporate attractive landscaping and maintenance-free materials to improve the curb appeal and the longevity of the project, providing a path for economic and environmental resiliency for residents.

Clean-up or management and redevelopment of the WWTP property would result in up to <u>88 acres of increased recreation opportunities</u> and improved health outcomes for local residents, as well as improvement of groundwater quality and reduction of risk to the sensitive populations adjacent to the site. Depending on the outcomes of the environmental assessment and planning, as well as community and leadership input, the potential uses could include athletic fields, pickleball courts, a skate park, or a recreation center, which have been requested by residents and don't currently exist in the City. With a growing population, the City is in need of additional open space and recreational opportunities for its residents, providing refuge from urbanization and climate change in a lower-income area, resulting in

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greater resilience to climate change. Furthermore, the analysis of additional sites through the evaluation and prioritization process will identify sites that provide the most benefit to the underserved community, such as affordable housing, high-quality job creation, and overall investment into the community.

1.c. Strategy for Leveraging Resources

1.c.i Resources Needed for Site Reuse

Given the potential extent and cost of remediation and management of the priority Brownfields sites, the City is considering any and all resources to assist with the assessment, remediation, and re-use of the Target Sites. For the Wyrick MHP site, Wynnefield Forward has secured \$9 million in low-income housing tax credits from the NC Housing Finance Agency and would complete its project with an additional \$4 million in bank financing. However, these investments cannot move forward without further environmental assessment and remediation planning, which currently does not have a dedicated funding source. The developer has applied for a Brownfields Agreement with the DEQ. For both the Wyrick MHP and WWTP sites, the City may apply for the EPA Brownfields Cleanup Grant as a future step, and will also investigate other funding options, such as CDBG, NC Rural Transformation Grant, and the Golden Leaf Foundation. The City would use its own budget to pay for the relocation of McLain St adjacent to the Wyrick MHP site, as well as seek a combination of local funds, state, and other grants to address the stream restoration. For the WWTP site, once remediation and management are completed, the City would budget funding for the recreational facilities to be constructed as part of its future Capital Plan.

1.c.ii Use of Existing Infrastructure

The Wyrick MHP site was awarded housing tax credits based on several criteria, including availability of infrastructure and proximity to community amenities. Water, sewer, gas, natural gas, and electricity are available to serve the site. The site is in close proximity to Cannon Boulevard, one of the major north-south commercial corridors within the City and is on the CK Rider bus line, which provides transportation for residents to jobs, healthcare, and other community resources. Additional infrastructure is not needed to serve the site. Part of the future plans for this area may include the reconnection of McLain Rd to Fairview St to restore the road connectivity that previously existed prior to flooding issues. The WWTP site has access to water located along Glenn Avenue, as well as onsite and sanitary sewer that bisects the property. Sidewalk infrastructure would be constructed as part of a future recreational facility project.

2. <u>COMMUNITY NEED AND COMMUNITY ENGAGEMENT</u>

2.a. Community Need

2.a.i The Community's Need for Funding

The magnitude of the resources required to address the environmental issues for the Target Area sites are significant. EPA grant funding assistance for additional assessment and cleanup planning is needed to help the City to help bring the Target Site properties to productive reuse for the underserved surrounding neighborhoods. Private developers had purchase agreements for both Target Sites but have not been able to determine a financially viable way to assess and manage the environmental concerns. Addressing the issues will take a public-private partnership that includes the City, private developers, EPA, and other agencies like HUD or DEQ. Furthermore, the City's economic growth has bypassed the Target Area. The Target Area has higher poverty rates and lower median household income compared to the citywide average, counties, and state. The median income of the Target Area is less than 50% of the area median income. By HUD definition, this is considered very low income. The minority populations are more prevalent in this area as well, with a higher proportion of African American residents in the Wyrick MHP area, while the WWTP area has a higher proportion of Hispanic residents. There are also higher rates of renter-occupied housing in the Target Area compared to the rest of the City, counties, and state. With the low-income populations in the neighborhoods surrounding the Target Sites, the area remains economically depressed without a viable path forward. This Grant funding will provide the means to address the environmental concerns and attract investment that wouldn't otherwise be available to promote social, economic, and environmental equity and resiliency within the local community.

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2.a.ii Threats to Sensitive Populations

(1) Health or Welfare of Sensitive Populations

The Target Area consists of the economically depressed Central Kannapolis area characterized by elevated poverty rates, lower life expectancies, and higher sensitive populations when compared to the surrounding area. According to the Climate and Economic Justice Screening Tool (CEJST), the majority of the Target Area is considered disadvantaged with respect to health-related issues due to significantly lower life expectancies (as high as the 96th percentile) and lower incomes (as high as the 84th percentile). Lower life expectancies are consistently correlated to lower incomes, which is highlighted by elevated unemployment rates (as high as 18%) within the Target Area due to overwhelming historical manufacturing job losses within the community. Furthermore, job losses and slow recovery have disproportionately impacted people of color and limited English speakers within the Target Area as the demographic index (based on low-income and minority proportions) is as high as the 80th percentile for NC. Furthermore, sensitive populations, such as children under the age of five (up to 9%) and individuals over the age of 64 (up to 22%), continue to be at risk from the overall economic decline and exposure to remaining environmental contamination within these depressed neighborhoods located near the Priority Sites. These sensitive populations are particularly at risk of environmental contaminants, such as particulate matter (up to 94th percentile), ozone levels (up to 86th percentile), diesel particulate matter (up to 86th percentile), and lead paint in older housing (up to 98th percentile). In addition to the lead-based paint associated with older homes in the Target Area, residents of lower-income housing near the Wyrick MHP are potentially exposed to elevated concentrations of lead and other metals in soil, groundwater (potentially), and surface water due to remaining battery casings from former landfilling activities. Additionally, the former WWTP property, which is estimated to have over 80,000 CY of exposed fly ash, and associated soil and groundwater impacts, including elevated metals concentrations, is adjacent to the McKnight Child Development Center and the Big Elm Nursing Home. These environmental conditions adjacent to the two Priority Sites depress the potential for economic mobility of youth by reinforcing generational poverty. Assessment completed under this Grant would assist the City in further evaluation and mitigation of environmental hazards to at-risk residents and would align with the Justice 40 Initiative for these disadvantaged communities by redevelopment of the Target Area.

(2) Greater Than Normal Incidence of Disease and Adverse Health Conditions

Residents in the vicinity of the Target Sites are at a higher risk for cancers and other respiratory-related diseases due to potential exposure to heavy metals and organic compounds which may become airborne and/or ingested by trespassers. Treatment costs associated with elevated cancer rates can have a devastating impact on economic mobility efforts within lower-income and disadvantaged households. Data from the EJScreen Tool indicate that elevated air toxics cancer risk (lifetime risk per million) is as high as the 83rd percentile and the air toxics respiratory hazard index (ratio of exposure concentrations to health-based reference concentrations) is as high as the 88th percentile for the Target Area. Therefore, the incidence rates for all cancers, childhood cancers, and age-adjusted mortality rates are potentially higher in these areas with sensitive, lower-income populations. According to the National Cancer Institute (2016-2020 data), the overall incidence rate of applicable cancers (as high as 496.9 vs. 464.0 in NC and 442.0 in US) and age-adjusted mortality rates (as high as 177.1 vs. 154.5 in NC and 149.4 in US) are significantly higher in these two counties when compared to NC and the US rates. Assessments under this Grant would further evaluate the potential health risks to the underserved communities. Pre-cleanup planning under this Grant would allow for additional evaluations of remediation and/or mitigation strategies such as capping, source removal, and site restoration limiting the potential for airborne pathogens and/or exposure.

(3) Environmental Justice

(a) Identification of Environmental Justice Issues

Environmental justice issues are a significant concern for the disadvantaged communities living within the Target Area and near the Target Sites. According to EPA EJSCREEN, residents in the Target Area have higher proportions of people of color (up to 49% in Target Area vs. 37% in NC and 39% in US),

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low-income (up to 66% in Target Area vs. 34% in NC and 31% in US), lower educational attainment (up to 28% in Target Area vs. 12% in NC and US), and higher proportions of limited English speakers (up to 10% in Target Area vs. 2% in NC). A lengthy history of manufacturing job losses and stunted revitalization within Central Kannapolis has concentrated poverty in these neighborhoods. Further recovery has been hindered by the increased environmental risks associated with these Target Sites and disproportionate impacts to lower-income and minority households. The chart below summarizes some of the most pressing environmental concerns facing underserved communities within the Target Area:

	Target Area	
Environmental Justice Indexes	Percentile in NC	Percentile in US
EJ Index for Particulate Matter 2.5 (μg/m³)	94%	76%
EJ Index for Ozone (ppb)	86%	82%
EJ Index for Diesel Particulate Matter (μg/m³)	86%	60%
EJ Index for Toxic Releases to Air	67%	70%
EJ Index for Lead Paint (% pre-1960 housing)	98%	89%
EJ Index for Superfund Proximity (count /km)	83%	70%
EJ Index for Underground Storage Tank Proximity (count/km²)	89%	89%

Residents may be disproportionately exposed to environmental conditions, such as higher airborne contaminants and lead paint, which can adversely impact the health and upward mobility of disadvantaged and sensitive populations. Higher percentages of sensitive populations (under the age of five and over the age of 64) are prevalent in the Target Area and may be at a higher risk for environmental exposure and socioeconomic hurdles (including children at the McKnight Child Development Center and residents of the Big Elm Nursing Home). As a result, environmental justice for underserved and disadvantaged populations is a key concern to be addressed in the Target Area with the assistance of community partners, such as the Cabarrus Health Alliance.

(b) Advancing Environmental Justice

This Grant would provide the critical financial resources for assessment and promote redevelopment and the Target Sites to provide affordable housing and access to open space. Providing lower income households with safe and affordable housing raises their standard of living and quality of life, giving them a stable foundation from which they can pursue employment or educational advancements. This project would advance environmental justice in the following ways:

- 1. **Environmental Remediation:** The Grant's primary focus is on conducting Brownfields assessments, environmental cleanup, and planning. By addressing existing contamination and potential health risks, the project directly improves environmental justice. It will ensure that the underserved communities in Central Kannapolis, who have historically borne the brunt of pollution, will benefit from cleaner and safer environments to promote resiliency.
- 2. Community Engagement: The project's strong community engagement component fosters environmental justice by actively involving residents in the decision-making process. The City will form a Brownfields Task Force (BTF) to oversee the Grant implementation and Target Area activities. The BTF will work closely with community stakeholders, including representatives of underserved communities, to seek their input at key project milestones. This approach empowers residents to participate in shaping the future of their neighborhoods, ensuring their concerns are addressed.
- 3. **Economic Revitalization:** The reuse strategy seeks to revitalize the area with new developments, including affordable housing, parks and recreation spaces, and other community assets. By creating economic opportunities and attracting investments, the project mitigates the economic disparities faced by underserved communities. It aims to break the cycle of poverty by providing access to jobs, housing, and recreational amenities within the Target Area.

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This project will also seek to minimize displacement in the following ways:

- 1. **Affordable Housing:** The project includes plans for 72 affordable housing units on the Wyrick MHP property, offering housing opportunities for residents and reducing the risk of displacement. This ensures that the community can stay and benefit from the improvements.
- 2. **Open Spaces and Parks:** The project envisions open spaces on the former WWTP property. These green spaces will not only enhance the quality of life for residents but also create opportunities for leisure and recreation without displacing existing businesses or residents.
- 3. **Planning for Community Needs:** The project will conduct visioning sessions to solicit input from the community regarding the redevelopment's features. This approach allows the community to guide the project in a way that meets their needs and aspirations, reducing the likelihood of displacement.
- 4. **Environmental Safeguards:** The site assessments and cleanup planning ensure that the redevelopment occurs with a focus on safety and environmental responsibility. This minimizes risks associated with contamination, assuring residents and businesses that the area is suitable for habitation and commerce.

This Grant and reuse strategy would advance environmental justice by addressing contamination, engaging the community, and creating economic opportunities while actively minimizing the displacement of residents and businesses. By involving the underserved communities in the decision-making process and tailoring the project to their needs, it ensures that the community reaps the benefits without being pushed out, aligning with the EPA's priorities for brownfield projects that emphasize environmental justice and community inclusivity.

2.b. Community Engagement

2.b.i Prior/Ongoing Community Involvement

The City engaged the local neighborhood, including elderly and minority residents, in conducting a community needs assessment for the Wyrick MHP site, including holding multiple community meetings to obtain community input on their concerns, ideas, and goals for the site and neighborhood. The residents expressed concerns about creek flooding and related issues with snakes, mosquitoes, and vermin, as well as desire for better road connectivity. While the City has not yet engaged local residents on the WWTP site specifically, the City has conducted multiple focus groups and surveys as part of the Imagine Kannapolis strategic plan and the Parks & Recreation Master Plan to understand community priorities related to open space and parks facilities. The City has done preliminary planning for the revitalization of the Midway area of S. Main St, which has several potential sites for assessment as mentioned in 1.a.iii. This involved community meetings with residents and youth of the area, as well as individual meetings with local businesses and property owners. The residents and property owners expressed interest in a revitalized commercial corridor, addressing dilapidated properties, improving walkability and streetscape amenities, and recreational opportunities like a skate park. The City plans to continue engaging residents and soliciting input as part of the assessment, remediation, and re-use planning process.

2.b.ii Project Involvement, and 2.b.iii Project Roles

The list below identifies the key community partners for the Target Area sites. The City will form a BTF with these and other stakeholders to oversee the Grant implementation and Target Area activities.

- Parks & Recreation Commission: Gary Mills, Parks & Recreation Director, gmills@kannapolisnc.gov, 704-920-4340. The Commission is a 9-member citizen advisory board that makes recommendations to City Council on the planning and operations of parks and recreation facilities and programs. The Commission will serve as the liaison to the community on the potential use of the WWTP property for parks and recreation. Roles: Outreach, Remediation/Reuse Planning
- <u>Kannapolis City Schools</u>: Kevin Garay, Superintendent, <u>Kevin.garay@kcs.k12.nc.us</u>, 704-938-1131. Kannapolis City Schools will serve as the liaison to the McKnight Child Development Center and the larger school community to provide input and information about the use of the WWTP property for potential recreational uses. **Roles: Outreach, Remediation/Reuse Planning**

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- <u>Community Improvement Commission</u>: Sherry Gordon, Community Development Program Administrator, <u>sgordon@kannapolisnc.gov</u>, 704-920-4332. The Commission is a 9-member citizen advisory board that makes recommendations to City Council on the City's affordable housing and community development efforts. The Commission will serve as the liaison to the community on the potential use of the Wyrick MHP property for affordable housing. **Roles: Outreach, Site Inventory, Remediation/Reuse Planning**
- <u>Cabarrus Health Alliance</u>: Marcella Beam, Chief Community Health Officer, <u>Marcella.beam@cabarrushealth.org</u>, 704-920-1282. Cabarrus Health Alliance is the public health agency for Cabarrus County. They conduct the Community Needs Assessment and are developing Community Health Profiles to document health disparities between different neighborhoods and how those could be addressed through community engagement. CHA will offer a public health and environmental justice lens for this Grant. **Roles: Outreach, Site Inventory, Remediation/Reuse Planning**
- Wynnefield Forward: Craig Stone, Manager, <u>craig@wynnefieldforward.com</u>, 336-906-1854. As the multifamily developer that was awarded low-income housing tax credits from the NC Housing Finance Agency to be constructed on the Wyrick MHP property, they have done significant planning and due diligence on the property and are very interested in addressing the environmental concerns of the site to make it reusable again. Roles: Assessment, Remediation/Reuse Planning, Cleanup
- <u>Insite Properties</u>: Bart Murr, Principal, <u>murr@insiteprops.com</u>, 704-526-2182. Insite purchased the WWTP property as part of a large portfolio of properties associated with the NC Research Campus. Recognizing the environmental issues, Insite proposed donating the property to the City. **Roles:** Assessment, Remediation/Reuse Planning, Cleanup

2.b.iv Incorporating Community Input

Community input will be an important component in determining the future trajectory of the Target Sites. In addition to using the members of the BTF to help communicate with the community, the City plans to keep the public and the Imagine Kannapolis Strategic Plan community groups informed about the Target Area projects through several means. Community input and feedback via in-person neighborhood meetings will be completed as part of the assessment and planning process. We will use our outbound phone system, mailers, social media, yard signs, and other means to encourage residents to attend the meetings. For those who are unable to attend meetings in person, we will offer the opportunity to participate virtually via Zoom meetings, as well as the opportunity to have email exchanges, phone calls, or individual in-person meetings with City staff, which will include accommodations as requested by non-English speakers. Semi-annual updates will be provided in the printed newsletter that goes to every household in the City with our water bill. Quarterly updates will be sent via our email newsletter, website, and social media outlets. Our Communications Department will send press releases to the local media as needed to communicate key project progress or information. Semi-annual or as-needed updates will be provided to City Council and the general public who attend City Council meetings, who have the opportunity to speak to City Council about matters of concern at the end of each meeting.

3. TASK DESCRIPTIONS, COST ESTIMATES, AND MEASURING PROGRESS

3.a. <u>Description of Tasks/Activities and Outputs – 3a.i-iv – Project Implementation, Anticipated Project Schedule, Task/Activity Lead, and Outputs</u>

The City is requesting \$1,000,000 in Grant funds to implement its Brownfields Program. A description of programmatic tasks and their anticipated costs is provided below.

Task 1 – Program Management

- i. Project Director Wilmer Melton, with input from the BTF, will develop and implement the City's Brownfields program by enhancing an existing framework and ensuring its compliance with EPA rules and regulations. Consistent with 2 CFR § 200 rules, a qualified environmental professional (QEP) will be procured using a Request for Qualifications (RFQ) process. The Project Director will be responsible for submitting reports, ACRES information, financial information, MBE/WBE forms, and site eligibility determination forms. He will seek out training opportunities to further his Brownfields knowledge to maximize the impact of the City's Brownfields program. In addition, the BTF will use community knowledge, the DEQ's Site Locator Tool, and DEQ's environmental document repository (Laserfiche) to identify potential sites that warrant assistance. Sites will be evaluated and prioritized based on known or suspected environmental impacts and their potential health risks to underserved communities.
- ii. Anticipated Project Schedule: hire QEP(s) via RFQ process within three months (Q2 2024); conduct project management duties for the duration of the grant
- iii. Task/Activity Lead: Project Director
- iv. *Outputs:* two BTF members to attend workshops/conferences to facilitate project management; up to 60 monthly meetings; 20 quarterly reports in ACRES; five annual Federal Financial Reports; five annual Disadvantaged Business Reports; and one final report

Task 2 – Community Outreach and Planning

- i. The BTF will use multiple methods to communicate and involve community stakeholders including outreach meetings, press releases, City website, and meetings with stakeholders and representatives of underserved communities. The City will inform and educate citizens about the activities underway and solicit their input at key project milestones to: inform the community on the purpose of the grant and the assessment process; solicit proposals from prospective developers requesting funds for assessment; regular meetings of the BTF and site selection teams; regular Brownfield briefings at local meetings; post-assessment meetings to discuss findings and possible remediation requirements; and visioning sessions to solicit input on the proposed redevelopment.
- ii. Anticipated Project Schedule: prepare outreach materials and hold quarterly BTF meetings (Q4 2024); bi-annual market feasibility analysis (Q4 2024); semi-annual outreach meetings (Q4 2023), evaluate the priority of additional sites for grant assistance (Q1 of 2025 through 2028).
- iii. Task/Activity Lead: Project Director
- iv. *Outputs*: 20 BTF meetings; eight community outreach meetings with associated deliverables; up to four market feasibility analyses

Task 3 – Site Assessments

- i. Phase I and Phase II Environmental Site Assessments (ESAs) performed under the grant will be conducted by QEPs in general accordance with the American Society for Testing and Materials (ASTM) Standard Practice E1527-21 (to comply with All Appropriate Inquiry [AAI] regulations), EPA, and/or DEQ guidance. Other prepared documents will include a Generic Quality Assurance Project Plan (QAPP), site-specific QAPPs, health and safety plans (HASPs), and asbestos (ACM) and lead-based paint (LBP) surveys.
- ii. *Anticipated Project Schedule:* Project planning and Generic QAPP preparation by September 2024; Phase I/II ESAs, and ACM/LBP surveys through the duration of the grant
- iii. Task/Activity Lead: QEP with involvement from the Project Director
- iv. *Outputs*: one Generic QAPP; up to 12 Phase I ESAs; up to eight Phase II ESAs and associated site-specific QAPPs and HASPs; up to four ACM/LBP surveys; up to two Brownfields Assessment work plans and reports; up to two environmental management plans; up to eight Property Eligibility Determinations; and up to eight Access Agreements

Task 4 – Remediation

- i. Remediation efforts performed under this task include: in-situ soil characterization; exploratory test pits; geotechnical/slope stabilization evaluations and restoration (if necessary for remedial purposes); stream bank stabilization evaluation and restoration (if necessary); contaminated soil or waste removal; cap and fill material; placement of fill material and cap; and monitoring wells.
- *ii.* Anticipated Project Schedule: Remediation efforts in-situ soil characterization; exploratory test pits; geotechnical/slope stabilization evaluation and restoration (if necessary); stream bank stabilization and restoration (if necessary); contaminated soil or waste removal; cap and fill material; placement of fill material; and monitoring wells June 2024 to June 2028
- iii. Task/Activity Lead: Engineering contractor (to be named), NC Brownfields, etc.
- **iv.** *Outputs:* Proper completion of each step of remediation effort process (exploratory test pits; geotechnical/slope stabilization evaluation and restoration (if necessary); stream bank stabilization evaluation and restoration (if necessary); contaminated soil or waste removal (if necessary); cap and fill material; placement of fill material; monitoring wells

Task 5 – Reuse/Construction Planning

- i. QEP will prepare an Analysis of Brownfields Cleanup Alternatives (ABCA) following each site assessment, as necessary. Other work could include Asbestos Designs for the abatement of ACMs and fees for submitting a Brownfields Property Application (BPA) to the DEQ Brownfields Redevelopment Section.
- ii. Anticipated Project Schedule: Beginning in 2025 and continuing throughout the duration of the grant.
- iii. Task/Activity Lead: QEP with involvement from the Project Director
- iv. Outputs: up to three ABCAs; up to two Asbestos Designs; one BPA (Standard Track)

3.b. Cost Estimates

Proposed budgets are included in the table below followed by task descriptions and are based on input from City personnel who have experience with Brownfields projects and grant management.

- <u>Task 1 Program Management</u>: two BTF members to attend up to 4 workshops/conferences @ \$1,530 per person per event: **\$12,240 (Travel)** (flights @ \$750; two nights at a hotel @ \$300 per night per person; \$90 per diem for 2 nights per event); office supplies, printing, and marketing materials: **\$2,200 (Supplies)**; assistance from QEP with 60 monthly meetings @ \$400 per meeting; 20 quarterly reports @ \$300 per report; five annual Federal Financial Reports @ \$300 per report; five Disadvantaged Business Reports @ \$300 per report, and one final report @ \$600: **\$33,600 (Contractual)**
- <u>Task 2 Community Outreach & Planning</u>: office supplies, printing, and marketing materials: **\$4,560** (**Supplies**); eight community outreach meetings with assistance from QEP @ \$800 per meeting; up to four market feasibility analyses, site reuse plans, and conceptual renderings with assistance from QEP @ \$6,500 per analysis: **\$32,400** (**Contractual**)
- <u>Task 3 Site Assessments</u>: 1 Generic QAPP @ \$4,000; 12 Phase I ESAs @ \$3,000 per ESA; eight Phase II ESAs @ \$20,000 per ESA; four ACM/LBP surveys @ \$5,000 per survey; two Brownfields Assessment Work Plans @ \$4,500 per plan; two Brownfields assessments @ \$50,000 per assessment; two Brownfield Assessment Reports @ \$7,500; two environmental management plans @ \$7,500 per plan; up 8 Property Eligibility Determinations and access agreements @\$1,500 per: **\$371,000 (Contractual)**
- <u>Task 4 Remediation</u>: exploratory test pits (2 events @ \$15,000 per event); geotechnical/slope stability evaluation (1 evaluation @ \$75,000); streambank stability evaluation (2 evaluations @ \$25,000 per event); contaminated soil removal (earthwork) (if necessary) 250 tons @ \$80 per ton; new fill and cap placement (earthwork) 13,500 tons @ \$20 per ton; ACM/LBP abatement (if necessary) (2 abatements @ \$13,500 per event); monitoring well installation (up to ten wells @ \$3,650 per well): \$508,500 (Contractual)
- <u>Task 5 Reuse/Construction Planning</u>: 3 ABCAs @ \$6,500 per ABCA; two Asbestos Designs @ \$4,000 per design; BPA for Standard Track @ \$8,000: **\$35,500** (Contractual)

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		Project Tasks (\$)					
	Budget	1 – Program	2 – Community	3 - Site	4 –	5 – Reuse/	
	Categories	Management	Outreach and	Assessment	Remediation	Construction	Total
			Planning			Planning	
Direct Costs	Travel	\$12,240					\$12,240
	Supplies	\$2,200	\$4,560				\$6,760
	Contractual	\$33,600	\$32,400	\$371,000		\$35,500	\$472,500
	Construction				\$508,500		\$508,500
Total Direct Costs		\$48,040	\$36,960	\$371,000	\$508,500	\$35,500	\$1,000,000
To	tal Budget	\$48,040	\$36,960	\$371,000	\$508,500	\$35,500	\$1,000,000

Costs associated with the following categories are not applicable and therefore, not included in the above table: Personnel, Fringe Benefits, Equipment, Other, and Indirect Costs. Approximately 98% of the budget will be used for site contractual activities.

3.c. Plan to Measure and Evaluate Environmental Progress and Results

The Project Director and BTF will use existing City financial and project management software to track the progress of action items, redevelopment information (jobs, private partnership funding, additional sites, etc.), schedules, and budgets of tasks including, but not limited to those referenced in Section 3.a.iv. Applicable project and grant-related information will also be uploaded into the ACRES database quarterly and will guide discussions and decisions made by the BTF.

4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

4.a. Programmatic Capability

4.a.i Organizational Capacity, 4.a.ii Organizational Structure, and 4.a.iii Description of Key Staff

City Administration (management, legal, and communications) will lead the implementation and management of the grant, with support from the Finance, Economic & Community Development, Parks & Recreation, Engineering, and Planning Departments. The City is a Council-Manager form of municipal government with a Mayor and a City Council, consisting of six members who are elected to four-year terms. The City Council acts as the legislative body in establishing policy and the City Manager handles the day-to-day implementation of these policies and the management of the City organization. Mike Legg has served as the City Manager since 2004 and has overseen the growth of the NC Research Campus, the redevelopment of downtown, facilitated industrial and residential growth and ensured that the City's projects and initiatives are aligned with the Imagine Kannapolis Strategic Plan. Wilmer Melton joined the City in 2001 as the City's first Water and Sewer Utilities Director and was named Assistant City Manager in 2020. He oversees the engineering, water, transportation, planning, and environmental services departments and would provide the primary City technical oversight for the EPA grant. Irene Sacks has been the Economic & Community Development Director since 2008 and oversees the City's community development program, including the planning, expenditure, monitoring, and reporting of the HUD CDBG and HOME grants and working with affordable housing developers. Ms. Sacks and Mr. Melton have extensive experience in the administration and oversight of federal, state, and other grants. Irene will lead the community input efforts for this grant and the coordination of the BTF, as well as redevelopment of the Wyrick MHP site for affordable housing. Brian Roberts is the Finance Director with extensive experience with tracking and implementing federal and non-federal grants, ensuring compliance with federal and local procurement requirements, payment processing, and grant disbursements. Gary Mills has been the City's Parks & Recreation Director since 2000 and will oversee any conversion of the WWTP property to potential recreational use.

4.a.iv Acquiring Additional Resources

The City plans to use the assistance of environmental consultants (i.e., QEPs) and other expertise as needed, to conduct the assessment and planning components of this grant, as well as the support of the TAB services. We will follow federal and local procurement requirements to contract with the consultants,

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including issuing a Request for Qualifications to potential firms. These firms will provide the technical and programmatic support needed for the grant implementation.

The City promotes its job opportunities to local residents and will continue to do so as part of the Multipurpose Grant. The City anticipates creating new jobs in Parks & Recreation as a result of the remediation and re-use of the WWTP site, and will continue to advertise with the local Latino newspaper, send job listings to area black churches and historically black colleges and universities, partner with the Chamber of Commerce and other groups on veterans job fairs, hire summer interns from local schools, and work with the Rowan-Cabarrus Community College on job training and skills development. The City also works with the National Institute of Minority Economic Development based in Raleigh, NC and the Women's Business Center of Charlotte to identify women and minority owned businesses that may be interested in government procurement opportunities.

4.b. Past Performance and Accomplishments

4.b.ii Has Not Received an EPA Brownfields Grant but has Received Other Federal or Non-Federal Assistance Agreement

4.b.ii (1) Purpose and Accomplishments

- HUD CDBG & HOME Funds
 - * Amount: Annual grant: CDBG \$377,000 in 2022-23, HOME \$237,000 in 2022-23.
 - * Grant Accomplishments/Specific Outputs and Outcomes: The City uses these HUD funds for the construction of new housing and rehab of existing housing, infrastructure projects, non-profit support, and other eligible uses. During FY 2021-22, the City assisted 25 homeowners with urgent repairs and completed two house rehabilitations and one new construction.
- Congestion Mitigation and Air Quality (CMAQ) Funds Oakwood Avenue Sidewalk
 - * Amount: Project cost \$2,536,000 (Federal grant 80% \$2,028,800, Local match \$507,200)
 - * Grant Accomplishments/Specific Outputs and Outcomes: Project consisted of the design and construction of approximately 7,000 LF of sidewalk along Oakwood Avenue from North Cabarrus Park to Kannapolis Middle School and Shady Brook Elementary School. The project provided alternative means of transportation to over 2,100 households in the area with approximately 1,300 students reducing the daily pollutant levels in the area by 134 kg/yr.
- CMAQ Funds Irish Buffalo Creek Greenway
 - * Amount: Project Cost \$3,895,000 (Federal grant 80% \$3,116,000; Local match \$779,000)
 - * Grant Accomplishments/Specific Outputs and Outcomes: The grant funded the design and construction of a 1.7-mile segment of greenway along Irish Buffalo Creek from Orphanage Road to Rogers Lake Road connecting numerous neighborhoods, schools and parks.

4.b.ii (2) Compliance with Grant Requirements

The City has a strong track record of working with federal and state agencies on grant management and compliance. As required by HUD, the City's process of administering our CDBG and HOME grants includes the following: 1) submitting an annual action plan with a budget and scope of work, which includes public input through our Community Improvement Commission, public hearings, and written responses, and is approved by City Council; 2) bidding out work to contractors in accordance with federal and local procurement requirements and requiring written agreements with subgrantees; 3) invoices are reviewed and go through multiple levels of approval before payments are made by the City who then requests reimbursement from HUD through its IDIS system; 4) monitoring subgrantees for compliance and inspecting all completed work prior to project close-out; and 5) submitting an annual report after public input through our Community Improvement Commission, public hearings, and written responses to document work completed, funds expended, and measurable outcomes. The City's CMAQ grants follow a similar process. The City has successfully managed these grants with accolades from the granting agencies who provide oversight through a monitoring visit and file review. Any feedback from the granting agency is then incorporated into the improvement of the program and our processes for the following year.

Threshold Criteria

1. Applicant Eligibility

City of Kannapolis, North Carolina is a general-purpose unit of local government as defined under 2 CFR 200.1.

2. Community Involvement

The City will establish a Brownfields Task Force, made up of applicable City departments/commissions, community organizations, and other stakeholders, which will gather critical community input during all stages of the site identification, assessment, redevelopment strategy, and provide information to the community through several means. Community input and feedback via in-person neighborhood meetings will be completed as part of the assessment and planning process, which will include encouragement for citizens to attend via outbound phone system, mailers, social media, yard signs, and other. For those who are unable to attend meetings in person, virtual offerings, such as Zoom, as well as the opportunity to have email exchanges, phone calls, or individual in-person meetings with City staff and include accommodations as requested by non-English speakers. Semiannual updates will be provided in the printed newsletter that goes to every household in the City with water bills. Quarterly updates will be sent via the City's email newsletter, website, and social media outlets. The City's Communications Department will send press releases to the local media, as needed, to communicate key project progress or information. Semi-annual or as-needed updates will be provided to City Council and the general public who attend City Council meetings, who have the opportunity to speak to City Council about matters of concern at the end of each meeting. Major issues or concerns will be discussed and addressed with the Brownfields Task Force.

3. Target Area

The Central area of the City of Kannapolis is the Target Area for this Grant. The area is bounded by Kannapolis Lake to the west, 22nd Street to the north, Little Texas Road to the east, and Rogers Lake Road to the south. The Target Area Map is attached.

4. Affirmation of Brownfield Site Ownership

The City of Kannapolis owns the former Wyrick Mobile Home Park, located off Fairview St and adjacent to Genoa St, Venice St, Verona St, and Irene Ave. This site meets the CERCLA §101(39) definition of a brownfield and is: a) not listed (or proposed for listing) on the National Priorities List; b) not subject to unilateral administrative orders, court orders, administrative orders on consent, or judicial consent decrees issued to or entered into by parties under CERCLA; and c) not subject to the jurisdiction, custody, or control of the U.S. government.

5. Use of Grant Funds

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The proposed use of grant funds includes conducting Phase II assessments as well as remediation. For additional information, refer to these sections of the grant narrative for use of grant funds:

• Phase II site assessment: p. 1-2, 9-11

• Remediation: p. 1-2, 9-11

• Overall plan for revitalization of target area, and feasible site reuse strategy: p. 3

6. Expenditures of Existing Grant Funds

N/A. City does not have an open EPA Brownfields Assessment Grant or Multipurpose Grant.

7. Named Contractors and Subrecipients

N/A. City did not name a contractor or subrecipient in the narrative portion of this grant application although potential redevelopment partners (i.e., Insite Properties, Wynnefield Forward) have been identified. These partners would not be subrecipients of grant funds; they would be potential partners for redevelopment.