Reindustrialization on the Oak Ridge Reservation
An Asset Revitalization Initiative

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Turning Liabilities into Assets

Site Assets

Physical
- Over 1300 Acres of Land
- Multi-use Buildings
- Comprehensive Infrastructure
- One-of-a-kind Equipment

Nonphysical
- Location
- Utility, emergency and telecommunication services
- Available Technology
- Trained Workforce
- Strategic Partnerships

REINDUSTRIALIZATION
Vision & Mission for the Future

Vision

The Oak Ridge Reindustrialization Program will be recognized as the national leader in the beneficial reuse of Department of Energy assets.

Mission

Accelerate clean-up and promote economic development by making DOE underutilized assets (e.g., buildings, land, equipment) available to the private sector for the establishment of self sustaining business on the Oak Ridge Reservation.
ETTP Accomplishments

- Approximately 300,000 square feet of building space (9 buildings) transferred to CROET - five of the buildings have been sold to private companies
- Over 170 acres of land transferred to CROET with transfer of another 100 acres underway
  - Two speculative buildings have been constructed; one has been sold and the other is for lease or sale
- Renovation, upgrade and sale of the ETTP short rail system (11 miles of track and infrastructure)
- Transition of much of the infrastructure to the City of Oak Ridge
  - Includes transition of the water and sewer utilities, the electrical distribution system and some of the roadways
  - Also includes transfer of the fire station and equipment to the City
Investing in the Future

Water Treatment Plant

Transfer of Fire Station

New Speculative Buildings
Reinvesting for the Future
Heritage Center

- Productive reuse of former gaseous diffusion plant
- Sustainable business/industrial park
- Compatible with nearby commercial and residential development

Jobs are being created – Funds are being saved – Site is remediated sooner
Financial Benefits of Reindustrialization

Realized Savings

- Avoided Facility S&M $33.5M
- Avoided Facility Demolition $12.6M
- Bartering Arrangements $4.6M
- Services
  - Utilities/Infrastructure $40.0M
  - Fire Protection - Emergency Response $5.0M
  - IMT Lab Commercialization $3.1M

Total ~ $100.0M

Ongoing Savings

- Avoided Facility S&M ~ $1M / yr
- Services
  - Utilities/Infrastructure ~ $3M / yr
  - Fire Protection - Emergency Response ~ $2M / yr

Total ~ $6M / yr

Potential Savings

- Avoided Facility Demolition $25M to $50M
- Avoided Facility S&M $1M to $3M / yr
- Services
  - Utilities/Infrastructure ~ $5M / yr
  - Fire Protection - Emergency Response ~ $2M / yr
Revitalization of ETTP is Part of a Bigger Picture

Oak Ridge Reservation

Heritage Center - 1,800 acres (Industrial business park)
Black Oak Ridge Conservation Estate - 3,000 acres (Conservation)
Horizon Center - 1,000 acres (Mixed-use business park)
Parol ED 6 - 340 acres (Proposed for residential use, Transfer on hold)
SNS Facility - 120 acres (Scientific research facility)
East Oak Ridge
American Museum of Science and Energy and 3 Parcels - 40 acres
Y-12 Complex National Nuclear Security Administration (Defense support, manufacturing, and storage)
NOAA - 11 acres
Oak Ridge Institute of Science and Education - 350 acres (Scientific research and education)
Oak Ridge National Laboratory (National research laboratory)

Randall Ridge - 1,250 acres (Privately owned for residential/commercial use)

Tennessee Valley Authority - 1,340 acres (Power generation)

Oak Ridge Science & Technology Park - Currently ~12 acres, est. to be up to 40 acres

Clark Center Park - 80 acres (Recreational park)
Three Bend Scenic and Wildlife Refuge - ~300 acres (Conservation)
Horizon Center is a 1,000-acre Greenfield site, designed to provide building sites and amenities desired by companies while still preserving the area’s scenic beauty. The developable portions of ETTP were transferred to the City of Oak Ridge in 2010.
Oak Ridge Science & Technology Park

Purpose of the park is to support the commercialization and technology transfer efforts at the Oak Ridge National Laboratory.

This is the first privately developed research and development park within the campus of a national laboratory.

- When built out, the park will support 500,000 square feet of offices and laboratories.
The Oak Ridge Energy Corridor: Example of a Regional Energy Initiative

- OREC is an important component of Oak Ridge’s Reindustrialization Program
- It was formed in 2009 in response to DOE’s Energy Park Initiative
  - Supports development, demonstration and commercialization of solutions to America’s energy challenges
  - Utilizes the network of assets in the region including industries, science and educational institutions, and other expertise
  - Establishes partnerships with private companies to act on individual proposals

“OREC is not an organization; it is a framework that brings organizations together” Gerald Boyd, 2011
Oak Ridge Energy Corridor Implementation Status

• Leverages available regional assets, including:
  – DOE physical (land, buildings, infrastructure) and non-physical (technology, personnel) resources
  – Expertise in the region including TVA, CROET, economic development organizations, etc.
  – Industrial partners that can leverage investments from government agencies and the private sector

• Currently OREC is concentrating on four areas:
  – Energy generation
  – Transportation
  – Manufacturing
  – Distribution and storage
Why We’ve Been Successful

In some ways, the Reindustrialization Program’s success is due to being in a “Perfect Storm”

- The timing of Environmental Management’s cleanup of ETTP coincides with Reindustrialization’s plans
- The tools are available to transition facilities in a way that meets the Department’s needs and promotes economic development
- A strong community reuse organization exists that is committed to accelerating cleanup and stimulating the regional economy
- DOE Oak Ridge Office Senior Management are strong supporters of Reindustrialization and advocates for success
- DOE has successfully established relationships with our Federal, State and local stakeholders, and they have endorsed Reindustrialization’s mission and goals
Suggestions Compiled by ORO Reindustrialization To Facilitate Asset Revitalization

• Condense and accelerate the time to complete lease and transfer of property
• Provide Field authority to approve prime leases for up to 50 years
• Remove restrictions/conditions in real estate instruments that inhibit development and are not necessary
• Perform up-front engineering studies to determine development feasibility
• Establish a policy that allows non-DOE contractor cleanup of buildings and property that are candidates for reuse/revitalization
• Give priority to cleanup of facilities/systems that although they do not present a significant risk they affect marketability of the sites
• Extend Indemnification regardless of whether there is evidence of legacy contamination or not