



Federal Reserve Bank Houston, Texas

Petroleum-Impacted Site Renaissance

In Houston, a 12-acre property impacted by contamination from an underground petroleum plume has been transformed into a state-of-the-art facility for Federal Reserve Bank operations. A partnership among the City of Houston, Harris County, Texas Commission on Environmental Quality (TCEQ), and private entities, with assistance from the City of Houston's

Brownfields Redevelopment Program, breathed new life into this once abandoned site.



Former Jefferson Davis Hospital: 1936–1988

The property was the site of Harris County's Jefferson Davis Hospital from 1936-1989. The City of Houston funded Environmental Site Assessments between 1995-1997 which determined that a plume of gasoline from Leaking Petroleum Storage Tanks (LPSTs) on an adjacent city-owned property had migrated under the 1801 Allen Parkway site. As a result of those investigative findings, the City of

Houston provided \$879,523 to fund remediation

via soil vapor extraction. A vertical well extraction system was installed in 1998 which removed 10,000 gallons of gasoline from the groundwater over a five-year period. Federal Reserve Bank also funded a horizontal extraction system which removed the remaining gasoline to below Texas Risk Reduction Program (TRRP) standards. To facilitate cleanup, the project was enrolled in TCEQ's Petroleum Storage Tank Program.

In 1999, the property was purchased from Harris County by a developer intending to build a high-density residential community, and the old hospital buildings were demolished. In January 2000, the Federal Reserve Bank acquired the contaminated property for \$20 million to

construct a new federal facility and relocate its existing Houston banking operations currently handled by the Dallas Federal Reserve Bank. To meet the bank's aggressive construction schedule, cleanup at the site was expedited. In the winter of 2003, the City, with TCEQ approval, transferred the responsibility for operation of the gas extraction system to the Federal Reserve Bank. In October 2003, the vertical well extraction system was replaced by a \$1.1 million horizontal well extraction system. This reduced



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the required cleanup time to 18 months with 12 months post-run monitoring—as compared with an additional 42 months of operation needed for the previous vertical well extraction system. An environmental insurance policy with a not-to-exceed cap on the cost of the site cleanup was also instrumental in accelerating this redevelopment project. The Federal Reserve Bank construction was completed in two years. The bank opened for business in May 2005.