

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: June 16, 2026

TO: Energy and Environment Committee
Honorable Adrin Nazarian, Chair
Honorable Katy Yaroslavsky, Vice Chair
Honorable Ysabel Jurado, Member
Honorable Nithya Raman, Member
Honorable Imelda Padilla, Member

Planning and Land Use Management Committee
Honorable Bob Blumenfield, Chair
Honorable Heather Hutt, Vice Chair
Honorable Adrin Nazarian, Member
Honorable John Lee, Member
Honorable Nithya Raman, Member

FROM: Sarai Bhaga, Interim Director and General Manager
LA Sanitation and Environment



**SUBJECT: RESPONSE TO INSTRUCTION OF COUNCIL FILE: 24-1521
REGARDING THE ROLE OF LA SANITATION AND ENVIRONMENT (LASAN) IN
THE REMEDIATION OF BROWNFIELDS**

On May 13, 2025, the Los Angeles City Council adopted motion [Council File 24-1521](#) directing the Department of Building and Safety (LADBS), the Planning Department (DCP), the Bureau of Engineering (BOE), the Fire Department (LAFD), the Department of Transportation (DOT) and the Bureau of Sanitation (BOS, LA Sanitation and Environment, LASAN), in consultation with the City Attorney, to:

1. Prepare a report with the following recommendations:
 - a. Require coordination with any County, State, or Federal agency with jurisdiction over contaminated sites and creation of a clearance for the issuance of any permits for development projects on private property seeking to repurpose existing brownfield sites (i.e., contaminated sites listed on a State database) into other proposed land uses.
 - b. Update City databases, such as but not limited to ZIMAS, with zoning information or overlay tools that can be used to identify brownfield sites to ensure appropriate clearances are included when developers are seeking a permit.

- c. Revise the LADBS Information Bulletin “Procedures When Hazardous and Contaminated Materials are Encountered During Construction or Geotechnical/ Geological Exploration” to reflect any changes.
2. Report back on the City's current role, responsibilities, and strategies to remediate City-owned brownfield sites, along with requirements for private developers. The report should also provide recommendations for enhancing or streamlining processes to conduct City-owned remediation efforts, including potential strategies on collaborating with community stakeholders to remediate Brownfield sites.

LADBS and DCP have submitted a separate, joint-report in March of 2026.

RECOMMENDATIONS FOR COUNCIL ACTION

1. INSTRUCT LA Sanitation and Environment (LASAN), in consultation with the City Attorney, to report back with a roadmap and feasibility for the City to become a certified Local Oversight Agency under Assembly Bill (AB) 304, which includes requesting Los Angeles County Health Officer authority in order to empower the City to oversee and certify the cleanup of contaminated brownfield sites.
2. INSTRUCT LASAN in coordination with the Building and Safety and Planning Departments to develop and establish threshold criteria for the pilot phase of AB 304.
3. INSTRUCT the Building and Safety Department and Planning Department to report back on the necessary modifications necessary to integrate new requirements for brownfields clearance to the existing permitting process utilizing the Environmental Protection Measures Handbook.
4. INSTRUCT LASAN to develop a fee structure for development projects that require Brownfield clearance, once the criteria has been established.
5. INSTRUCT the General Services Department, Building and Safety Department, Planning Department and other relevant City departments to report back on establishing a formal policy ensuring the early involvement of the LASAN Brownfields Program in all City-owned property acquisitions and/or redevelopment projects in order to conduct environmental due diligence related to potentially contaminated sites.
6. INSTRUCT the City Administrative Officer to identify an ongoing funding source for the Brownfields Program to ensure its ability to front-fund reimbursable grants and address remediation needs.

BACKGROUND

The Los Angeles Sanitation and Environment (LASAN), Solid Resources Citywide Recycling Division (SRCRD), Citywide Brownfields Program (Brownfields Program) provides technical

and on-call assistance to combat challenges associated with abandoned, idle properties that may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant (i.e., Brownfields). The Brownfields Program assists with the due diligence process by managing environmental site assessments, investigations and the remediation process of contaminated sites throughout the City. Depending on the specific project, the program also assists with applying for and managing state and federal brownfields grants.

Blighted and contaminated land harms the vitality and health of a community, while remediation and redevelopment of Brownfields can restore economic and environmental health. For instance, a property may have been previously occupied by a gas station, dry cleaner or another type of business utilizing hazardous or petroleum pollutants that may have spilled onto the ground or leaked from underground storage tanks. These substances may still be present in the soil and/or groundwater and must be removed or treated before the property can be safely redeveloped for its intended use. Successful Brownfields redevelopment promotes sustainable communities and provides economic benefit to the City. Revitalizing underutilized sites may lead to a host of additional benefits.

The redevelopment of these underutilized Brownfields can:

- Stimulate local economies by creating new jobs, generating tax revenues, and attracting new businesses and residents.
- Improve public health and safety and reduce pollution.
- Enhance quality of life and increase property values.
- Promote sustainable development through use of existing infrastructure, reduce urban sprawl, and preserve green spaces.
- Leverage private investment, public funding, and partnerships to achieve community benefit goals.

There are over 3,000 brownfield sites in the City of Los Angeles¹. The Brownfields Program plays a crucial role in addressing environmental challenges for sites with known or suspected contamination and can help navigate the redevelopment process for those unfamiliar with the required due diligence and cleanup process. LASAN's expertise related to application, management and implementation of Brownfields grants is extensive.

Current Role, Responsibilities and Strategies for City-Owned Brownfield Sites

The Brownfields Program guides City-owned projects from the due diligence process through the cleanup process, to the ready-for-redevelopment state. The due diligence process is vital to identify potential environmental liabilities and assess land use risks. The Brownfields Program provides on-call assistance to the Mayor's Office, Council Offices and City departments to conduct Phase I Environmental Site Assessments (ESA) and Phase II ESAs, as well as to provide project management of a Brownfield site. See definitions below. For example, when the City is

considering the acquisition or redevelopment of a property, environmental due diligence is an essential safeguard that helps identify potential environmental concerns and liabilities that could impose significant cleanup costs and allows the City to assess land use risks and negotiate acquisition terms accordingly. Importantly, thorough due diligence supports compliance with environmental laws and helps preserve the City's eligibility for “innocent landowner” defenses under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and related state regulations. These protections are only available if proper Phase I ESA is conducted prior to property acquisition. Early identification of environmental impacts also allows the City to avoid unnecessary financial exposure and identify potential environmental concerns in the beginning phases of the development process. It opens opportunities to negotiate cleanup responsibilities with the seller, apply for state and federal Brownfields grants, and design more cost-effective remediation plans tailored to future land uses. This proactive approach ultimately reduces liability and enhances the feasibility of successful redevelopment. The Brownfields Program also offers cleanup management and oversight, including coordination with regulatory agencies.

The due diligence and remediation processes can help the City make informed decisions while guiding City-owned sites cleanup. These processes are outlined below.

1. **Environmental Due Diligence:** The process begins with a **Phase I Environmental Site Assessment (ESA)**, which involves site visits, interviews, and a review of historical and public records, to evaluate potential environmental concerns and determine if contamination may exist, based on previous site usage/s. This is a critical step for qualifying for federal liability defense protections. A Phase I ESA must be conducted by a certified environmental consultant or environmental professional that meets certain educational and work experience requirements. Starting the due diligence process early saves the City both time and money and expedites the approval process (regulatory and permitting process).

If contamination is suspected, a **Phase II ESA** is conducted, involving the collection and analysis of soil, groundwater, and/or soil gas samples to confirm the presence and extent of contamination. These assessments provide essential background for developing cleanup strategies and estimating costs. Early identification of environmental impacts helps the City avoid unnecessary financial exposure, negotiate cleanup responsibilities, and pursue state and federal brownfield grants. Often, the Brownfields Program receives this information on short notice and does not have adequate time to apply for grants, which may take several months. Working closely with the program on specific projects helps to take advantage of applicable grant opportunities and establish timelines. The Phase II ESA results inform decision-making during acquisition or potential redevelopment regarding funding sources and whether the City will proceed with the transaction (property purchase) or project.

2. **Cleanup Planning and Implementation:** Following a site characterization, a remediation strategy is developed in accordance with applicable federal and state regulatory requirements. This may include risk assessments, feasibility studies, and the preparation of Remedial Action Plans (RAP) or Removal Action Workplans (RAW). Regulatory oversight agencies such as the California Department of Toxic Substances Control (DTSC), Los Angeles Regional Water Quality Control Board (LARWQCB), or the Los Angeles County Fire Department (LACFD)- Site Mitigation Unit are engaged through voluntary oversight agreements. For underground storage tank (UST) removal, the Los Angeles Fire Department provides oversight, with referrals to LARWQCB or DTSC if the UST is leaking. Remediation activities, which can include multiple methods such as soil excavation (i.e., dig and haul), in situ remediation, phytoremediation (i.e., the use of plants to remove contamination from the soil), groundwater treatment or monitoring, soil vapor extraction, or installation of vapor barriers, begin once the cleanup plan is approved. A certificate of completion, "no further action" or equivalent letter is issued by the regulatory agency once the cleanup meets future redevelopment end-use standards (i.e., unrestricted land use, residential, commercial or industrial uses). Depending on the site, cleanup and redevelopment may take place concurrently.
3. **Community Engagement:** Community engagement is a critical component throughout the cleanup stages and is recommended for the early stages. Cleanup plans including Response Plans and RAWs go through the public participation process for comment and feedback.
4. **Grant Funding and Limitations:** The Brownfields Program actively identifies, researches, and applies for environmental assessment, investigation and cleanup grant funding. However, grant funding is limited, competitive, and not available for every site, requiring site screening and review of each site to ensure eligibility and high competitiveness. The program has limited staff due to vacancies and is often constrained by lack of front funding capability necessary to secure grants. Additionally, contractual services funding for the Brownfields program has not been provided since FY '24-'25. This funding had been used to provide emergency support to City-owned sites that had short turnaround times.

Requirements for Private Developers

The Brownfields Program can provide on-call assistance to private developers to navigate the Brownfield redevelopment process, though this is limited by staff capacity. Currently, it is voluntary for private developers to seek the Brownfields Program assistance. If developers choose to work with the Brownfields Program team, they will follow the due diligence and remediation process as outlined above for City-owned sites.

DISCUSSION

1. Recommendation to establish an agreement with state agencies (DTSC or LARWQCB) for the City of Los Angeles Brownfields Program to become a certified Local Oversight Agency to streamline the clearance of the properties per Assembly Bill (AB) 304.

Becoming a local oversight agency will enable the City to expedite the cleanup process, which will ultimately streamline development and generate revenue through oversight fees to support this effort. This revenue would allow the Brownfields Program to diversify its funding opportunities, currently limited to state and federal grant funds and available general funding. The regulatory oversight granted by AB 304 certification would enable the City to return contaminated properties to productive use. Currently this authority only rests with DTSC or LARWQCB. Providing the Brownfields Program with regulatory authority streamlines the process, creating a valuable alternative for private developers, who often face significant delays and costs when navigating state agencies.

Becoming a certified oversight agency under AB304 will require more resources including additional staff and funding to establish the new service prior to the anticipated revenue generation to offset the costs associated with the program.

Below are suggested fee structures along with forecasted revenue based on DTSC fees/costs. This fee structure is anticipated to be financially sustainable, as outlined in the tables below:

Table 1: Anticipated Project Workload:

Project Workload	Fiscal Years				
	2026-27	2027-28	2028-29	2029-30	2030-31
Phase I ESAs	65	85	110	143	186
Phase II ESAs	33	42	55	71	93
Remedial Action Plans	25	32	41	53	70
Total Projects	123	159	206	267	349

The numbers listed above in Table 1 are based on the assumption we would receive 65 Phase I ESA in the first year, given that there are an estimated 3,000 contaminated sites in the City. Although all sites should undergo a Phase I ESA, we estimate half of those sites would need further sampling via a Phase II ESA, with three-quarters of those sites needing remediation.

Table 2: Proposed Potential Revenue

Projected Revenues by Fiscal Year

Projects	2026-27	2027-28	2028-29	2029-30	2030-31
Phase I ESA	\$182,000	\$236,600	\$307,580	\$399,854	\$519,810
Phase II ESA	\$346,500	\$441,000	\$577,500	\$745,500	\$976,500
Remedial Action Plan	\$437,500	\$560,000	\$717,500	\$927,500	\$1,225,000
Project Revenues	\$966,000	\$1,237,600	\$1,602,580	\$2,072,854	\$2,721,310

Table 2 is based on estimates from Table 1. Fees are based on 70% of DTSC's oversight fees. LASAN fees would be less than DTSC because we would be delivering the project on a more focused program. Please note that this is a sample of the revenue that may be generated based on the projected workload in Table 1 above. The calculations in Table 2 are based on assumptions that the program would be fully staffed with five full time employees including one Environmental Supervisor I, two Environmental Specialists II, one Senior Administrative Clerk, one Management Analyst. Based on these assumptions the program would generate approximately \$2,721,310 in 2031.

2. Recommendation to direct the Brownfields Program to develop and establish threshold criteria for a pilot phase as directed by the City Council.

The pilot phase should establish a Local Oversight Agency, in accordance with AB 304, and integrate a Brownfields clearance process into existing permitting requirements. This will include requiring Phase I Environmental Site Assessments for larger developments. This pilot approach will give the Brownfields Program the opportunity to evaluate the effectiveness and feasibility of the clearance process before moving to the next phase.

3. Recommendation for the Building and Safety Department and Planning Department to report back on the feasibility of integrating new requirements for Brownfields clearance to the existing permitting process utilizing the Environmental Protection Measures Handbook and to include necessary modifications.

LADBS and DCP have submitted a separate joint report. Please see link to Council File here: https://cityclerk.lacity.org/onlinedocs/2024/24-1521_misc_03-23-26.pdf

4. Recommendation to develop a Fee Structure for Brownfields Clearances once the criteria has been established.

This fee structure would be determined by the size of the development and potential environment impacts. In order to establish a streamlined process for Brownfields development clearance, we recommend integrating a new review process into existing

LADBS clearance sheets. This will trigger LASAN's review and require additional documents as necessary, including for the incorporation of community outreach plans. New Brownfields data would be added to existing City database(s) including but not limited to the Department of City Planning's Zone Information and Map Access System (ZIMAS). LASAN would need to report back on the proposed fee structure.

5. Recommendation for Citywide Brownfields Program Early Involvement

Ensure that the Brownfields Program is involved in the early stages of redevelopment of City-owned sites. This early engagement is crucial for implementing proper due diligence including acquisition of new sites, identifying potential liabilities, assessing potential impacts and costs, and providing sufficient time to apply for grant funding, ultimately saving time and money and expediting the regulatory and permitting processes. This could be integrated into a new review process and/or LADBS's existing clearance worksheet.

6. Recommendation to Establish a Secure Funding Source

Establish a secure funding source for the Brownfields Program. There are a limited number of available brownfields grants and not every site meets the criteria. Currently, some of these projects are funded by Council Offices. This limits the program's ability to address Brownfields especially for the City projects. Having a secured funding source would make the program less vulnerable to City budget cuts, and meet a greater demand for projects as well as improve its competitiveness on grant applications

Proactive Remediation Approach for City-owned sites

For City-owned sites, the Brownfields Program can initiate the due diligence process to identify contamination prior to making redevelopment plans. For example, if it is determined a City-owned site is contaminated with petroleum or other organic compounds, the Brownfields Program can look into nature-based solutions like phytoremediation as a potential remediation option when the future redevelopment may be several years away. This pro-active approach could represent potential cost savings. Phytoremediation, along with other in-situ remediation practices, can help reduce contamination levels in the soil, so that when soil excavation is still necessary, the excavated soil can potentially be disposed of as non-hazardous waste. Non-hazardous waste bears a significantly lower cost burden than hazardous waste disposal, which requires disposal at special hazardous waste landfills.

Opportunities for Restored Program Capacity (Review of Brownfields Program Positions)

An Environmental Specialist II (ES II) and a Management Analyst (MA) position were eliminated during the FY '25-'26 budget. Because these positions are critical for the program's

effectiveness in managing Brownfield projects, it is suggested to reinstate the program to its full operational capacity by restoring the positions and to upgrade one Administrative Clerk (Admin Clerk) to a Senior Administrative Clerk (Sr Admin Clerk). The total cost would be \$296,856 (Direct Salaries \$193,419; Related Cost \$103,437) to restore the ESII and MA with nine months funding and upgrading the Admin Clerk to Sr Admin Clerk.

CONCLUSION

Los Angeles Sanitation and Environment's (LASAN) Brownfields Program is critical for tackling the environmental and economic challenges posed by over 3,000 contaminated sites. However, the program's effectiveness is currently constrained by staffing reductions, insecure funding, and a reactive, rather than proactive, role in the City's property acquisition and development pipeline.

The recommendations outlined in this report present a comprehensive strategy to transform the City's approach to Brownfield remediation. The cornerstone of this transformation is LASAN becoming a certified Local Oversight Agency (LOA) under Assembly Bill 304. This would facilitate a streamlined cleanup and permitting process, generate a new revenue stream through oversight fees, and significantly expedite the conversion of blighted properties into productive community assets.

To support LOA certification and enhance current operations, consideration regarding two previously eliminated staff positions is recommended. The City would also benefit from the implementation of a policy requiring the LASAN Citywide Brownfields Program's early involvement in all City-owned property transactions. Finally, securing a stable funding source is essential to bridge ongoing financial gaps and leverage grant opportunities effectively.

By adopting these recommendations, the City of Los Angeles can move from a fragmented and under-resourced approach to a streamlined, more financially viable model for Brownfields redevelopment that will enhance protection of public health and the environment and unlock significant economic benefits, including job creation, an expanded tax base, and revitalization of communities across the city.