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Loveland at contaminated crossroads with building that housed dry cleaning business

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The city of Loveland could face some costly environmental cleanup challenges if it moves forward with purchasing three properties for a possible redevelopment project.

The problem lies within the property of a longtime dry cleaning business in downtown.

Loveland officials put the Leslie's Cleaners building, at the northwest corner of Third Street and Lincoln Avenue, under contract this summer for \$210,600, along with two adjacent properties.

Preliminary tests of soil and water at the property conducted by the city have revealed low-level contaminations, but high enough to likely spark some type of cleanup project.

The Colorado Department of Public Health and Environment knows of the preliminary testing and is awaiting further data, said Walter Avramenko, hazardous waste corrective action unit leader for the state.

Perchloroethylene, or PCE, is the most common contaminate found at the former dry cleaners site. It's a chemical used in a variety of household cleaning product for its ability to remove stains.

High levels of PCE in the ground can cause air contamination in the buildings above, but Avramenko said that doesn't appear to be the case at Leslie's Cleaners.

"Right now, we don't know very much about the site, we have still not received any hard data from the city of Loveland that they are interested

in acquiring,” Avramenko said.

Assistant City Manager Rod Wensing didn't dispute that there's a possible PCE contamination issue at Leslie Cleaners, but city would not provide actual evidence until it finalizes work at the site, which begins next month and if it determines it will move ahead with the sale.

“We are obviously looking for issues related to contamination,” he said.

Leslie Cleaners owner Ralph Steigleder said he knows nothing about possible PCE issues at his business and said he followed state laws during his 26 years of ownership.

He pointed out that the site has been a dry cleaner for decades under various owners, long before the state laws became active in 1980.

Leslie's Cleaners has been on the state's radar for sometime because of groundwater tests on adjacent properties showing containment, including low-levels of PCE, in the ground water, dating back to 1989, Avramenko said.

The latest data came in August 2005, when testing at a former gas station site a block away, at 233 N. Lincoln Ave, revealed PCE at 66 parts per billion.

The state ground water standard for this chemical is 5 parts per billion, so levels this high likely would require some type of action, Avramenko said.

State inspections of Leslie's Cleaners have showed that the company is indeed following the rules, but Avramenko said Steigleder has not allowed additional ground water testing on the site.

Further testing at the cleaners should determine if the contamination is coming from a live source, instead of from an older release of the chemical, he said.

Dry cleaners and PCE contaminations are typical problems in Colorado.

Of the 30 average new contaminated sites that Avramenko's unit sees annually, more than half have come from a dry cleaner.

They usually aren't malicious breaches of the law, but from leaking machines or condensation disposal, Avramenko said.

"There are few people out there who are improperly handling their waste because it's saving them money, but that's a very small minority," he said.

While all indications show that a possible PCE contamination at Leslie's Cleaners isn't a health hazard, it could become a financial burden for the property owner or anyone attempting to purchase the land.

Cleaning up a plume of PCE under a dry cleaner can quickly add up to hundreds of thousands of dollars, often times surpassing what the properties actually worth.

When that happens, property owners sometimes abandon the site, leaving it vacant and typically untouchable, said Deb Phenicie, project director for the Colorado Brownfields Foundation.

The foundation works with communities on these types of environmental issues to prevent sites becoming vacant, contaminated parcels that no one will touch.

"It's just a common issue for every town. We absolutely want towns and communities to understand there are resources available to help move those properties into new use," she said.

In fact, the city of Loveland already is working with the Colorado Brownfields Foundation to acquire federal stimulus dollars that could clean up the Leslie's Cleaners property, if the sale moves through, Loveland senior planner Mike Scholl said.

"Anytime there's an environmental issue, it complicates the deal," he said.

A possible reality of Leslie's Cleaner becoming a vacant, contaminated property in the heart of downtown Loveland doesn't exactly fit into the city's plans for revitalizing the area.

The city's interest in purchasing Leslie's Cleaners, along with the former thrift store next door to the north and the Keck Auto parcel to the south, is part of an extensive effort to stimulate growth in downtown Loveland.

The sites first were tapped for a future parking structure, but the city now hopes to partner with a private developer to also build some type of commercial or residential structure to accompany a garage, Scholl said.

Still, it's probably too early to draw conclusions at what could happen to the site until final testing is completed.

"Right now, there's so little known about this particular site, I can not judge if this is a significant problem or not," Avramenko said.
