



# Devon Energy Center

Oklahoma City, OK

2012 REGION 6 WINNER

## From Brown to Gold: Devon Energy Center is LEEDing the Way

*Key Project Lesson: Reinvesting in green on brown while working with city planners to redevelop a key downtown area can be a catalyst for working towards a sustainable community.*

### Highlights

- The site was an environmentally-contaminated brownfield that once housed the city's early trolley system. Oklahoma City's impacted soil and groundwater were remediated and leaking fuel tanks were removed.
- The site is in the heart of downtown Oklahoma City and was the location of one of the greatest economic development failures in Oklahoma City history.
- The site is now Devon's corporate headquarters, employing more than 2,400 employees and contractors and providing hundreds of jobs related to services for the facility. It employed over 9,400 construction workers.
- The building achieved LEED-NC Gold certification.
- Tax increment financing was used to completely revitalize 180 acres of downtown streets and parks; no TIF funds were used on Devon's development.
- Downtown Oklahoma City is now a revitalized "Big League" city with a beautiful botanic garden and freshly paved tree-lined streets.
- The development provides considerable environmental, social and economic benefits to City of Oklahoma City.

### Overview

In 2008, Devon Energy Corporation, an independent oil and gas company with a strong social and environmental conscience, faced a dilemma. Its 1,900-plus employees in downtown Oklahoma City were housed in five different buildings. Much of the west side of downtown was declining and vacant, including a six-acre superblock, an environmentally-contaminated brownfield that had languished for more than 30 years as part of a failed urban shopping center concept. The site was offered for redevelopment by the city's Urban Renewal Authority, and Devon rose to the challenge. An \$800 million redevelopment project was soon underway.

In keeping with its core values, Devon's goal for the project was to create an energy-efficient, sustainable workplace with numerous on-site amenities for its employees. Devon reached that goal in March 2013 when the building earned LEED-NC Gold certification. However, taking the site from a brownfield to a sustainable office complex was just part of Devon's objective. Devon also wanted to contribute in a meaningful way to downtown's revitalization by enhancing the urban core of the city it had so long called home. Devon partnered with city groups to create a tax increment financing district to fund "Project 180," a planned \$160-million city project to "transform 180 acres of downtown with improved roads, landscaping and lighting." Project 180 is nearing completion; the revitalized Myriad Botanical Gardens are now used by the public more than ever before, and downtown streets are freshly paved and abloom with beautiful trees and flowers. The new center serves as a cornerstone of the city's downtown redevelopment project, linking business, entertainment and recreation districts together for Oklahoma City residents and visitors to enjoy for many years to come.

### Featured Partners

- Oklahoma City Urban Renewal Authority, the entity from which Devon purchased the site.
- The City of Oklahoma City.
- Hines Interests Limited Partnership, Devon's development manager.
- Holder-Flintco, Devon's general contractor.
- Pickard Chilton Architects, Inc. and Kendall/Heaton Associates, Inc., Devon's architectural team.
- The Oklahoma Corporation Commission.

## Primary Reason for Redevelopment

In 2008, Devon Energy Corporation, an independent oil and gas company with a strong social and environmental conscience, faced a dilemma. Its 1,900-plus employees in downtown Oklahoma City were housed in five different buildings. Much of the west side of downtown was declining and vacant, including a six-acre superblock, an environmentally-contaminated brownfield that had languished for more than 30 years. The site was offered for redevelopment by the city's Urban Renewal Authority, and Devon rose to the challenge. An \$800 million redevelopment project was soon underway.

Devon chose this site for its new home because of the notable impact its redevelopment would have on downtown. The site was home to the city's early mass transit system and other businesses throughout the early years. In the 1960s and 70s, city leaders hired I.M. Pei, a well-known urban planner, to create and implement a redevelopment plan for downtown. As part of the "Pei Plan," more than 50 historic buildings were demolished and Main Street was eliminated to make way for "superblocks" to accommodate large-scale developments. While some of Pei's plan was implemented, much of it was not, including plans for the Galleria, a large shopping arcade. Throughout the 1980s, city leaders tried to secure a developer for the shopping center. However, the plan never materialized. The primary remnant of the failed Galleria project was the large parking deck constructed in the 1980s. It remained an unattractive reminder of the city's development failure until Devon purchased the site.

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## Approach

Buried underneath the parking deck were environmental contaminants and leaking fuel tanks. Early environmental remediation efforts removed 6,280 cubic yards of impacted soil and 66,812 gallons of impacted groundwater. Five fuel tanks were removed. The project focused on environmentally-conscious, sustainable construction and design techniques throughout. Demolition and construction waste materials were recycled, site and space plans carefully crafted, energy performance technologies maximized, and water efficiencies planned to promote the best practices in green development.

Further, as an urban renewal plan, Devon and the city agreed to various conditions the city would meet to improve downtown and draw other businesses to it. Typically, owners of projects use tax increment financing (TIF) to provide revenues for their construction costs; however, Devon insisted that none of the monies be used on its own property, but instead go toward funding Project 180 and other incentives for the downtown revitalization. This [video](#) shows the site from its early-day origins through construction and today as Oklahoma City's newest skyscraper.

## Innovative Techniques

**Construction Techniques:** The water table under the site is unusually high, requiring the installation of a "bath tub" around the entire project during construction filtering all groundwater and storm water through a carbon filter.

**LEED Innovation Credits:** Devon also achieved exemplary performance credits for innovation in the following categories: water efficiency, reducing water use 40%; public transit access, quadrupling the requirements related to access to public transit and available "trips or rides;" and sustainability education, providing educational kiosks for occupants and visitors to understand the sustainable features of the building. A tour program is also tailored to educate the public about the building's sustainable attributes.

## Challenges

The project faced many challenges because of its magnitude and complexity. A team of experts had to be assembled from around the country to achieve all the desirable goals. However, perhaps the greatest challenge was overcoming the site's stigma as Oklahoma City's greatest failure in urban planning and development. Devon leaders knew the idea to build the city's first skyscraper in several decades would create anxiety and skepticism among those who feared another unsuccessful redevelopment scheme. But Devon company leaders also knew that a successful development would go a long way toward moving the city toward a far better future.

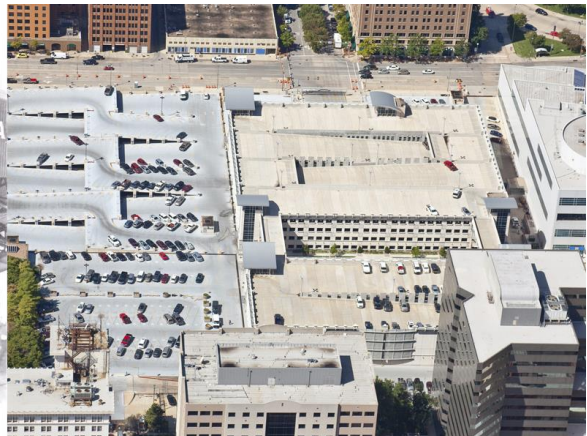
## Benefits

The environmental benefits of Devon Energy Center and Project 180 are many. Devon took the site literally from “brown to gold.” A once blighted brownfield is now the site of sustainable complex, beautiful public gardens, and tree-lined streets.

The economic benefits to Oklahoma City created by Devon’s development of its new headquarters are also almost immeasurable. The redevelopment agreement between the city and Devon states, “The potential benefits of this development, both tangible and intangible, are immense. First, the proposed development itself represents a significant capital investment and will employ thousands of designers, engineers, construction workers, and tradespeople . . . Further, the experience of other cities with similar projects shows that development of a world-class headquarters complex downtown will encourage other significant improvements in the area, which will in turn encourage additional investment and economic development of downtown. Oklahoma City’s nationwide image has been improving in recent years; Devon’s proposed development will no doubt further enhance that ‘Big League City’ image”

Today, the new Devon Energy Center is seen as a major contributor to the successful renewal of Oklahoma City. Several blocks around the new building are currently under new commercial and residential development. Project 180 is well underway and scheduled for completion by 2014. And, most importantly, downtown is a destination for both Oklahoma residents and visitors. It is a place people can take pride in, and the new Devon Energy Center is a symbol of success in urban innovation.

### Before



### After





<b>Address</b>	333 West Sheridan Avenue, Oklahoma City, OK 73102
<b>Contact Address</b>	333 West Sheridan Avenue, Oklahoma City, OK 73102
<b>Contact</b>	Klaholt P. Kimker, Vice President Administration
<b>Phone</b>	405.552.8181
<b>Email Address</b>	Klaholt.Kimker@dvn.com
<b>Name of Participants</b>	Oklahoma City Urban Renewal Authority; The City of Oklahoma City; Hines Interests Limited Partnership; Holder-Flintco; Pickard Chilton Associates; Kendall/Heaton Associates, Inc.; and the Oklahoma Corporation Commission.
<b>Number of Acres</b>	Six-acre redevelopment site; 180 acres of downtown streets and parks.
<b>Former Uses</b>	Mass transit terminal; failed commercial retail development; approximate 2000 space parking structure.
<b>Current Uses</b>	Devon Energy Center corporate headquarters; indoor and outdoor public use spaces; civic events; public outreach and education.
<b>Former Number/Types of Jobs</b>	11 jobs associated with the management of City's parking garage.
<b>New Number/Types of Jobs</b>	2,400-plus quality jobs for Devon employees, contractors, and service providers.
<b>Type of Site</b>	Corporate office, food service, and public spaces, including a public park.
<b>Regulatory Program</b>	Oklahoma Corporation Commission state cleanup program.
<b>List of Major Contaminants</b>	Dissolved benzene, toluene, ethyl benzene, and xylenes (BTEX) plume.
<b>Greatest Challenge</b>	Project of a size and complexity never before undertaken in Oklahoma City; Overcoming the decades long stigma of a blighted site due to multiple failed developments.
<b>Length of Time to Remediate</b>	2 ½ years.
<b>Primary Reason for Redevelopment</b>	Consolidation of Devon employees in one facility; downtown location was mandatory for company leaders; opportunity to revitalize city's urban core and provide a catalyst for economic growth downtown.
<b>Years Abandoned or Challenged</b>	30- plus years
<b>Cleaned up Under Consent Decree</b>	No
<b>List of Financial Assistance</b>	Cost of investigative and corrective action (\$461,418.51) reimbursed from the Oklahoma Corporation Commission Petroleum Storage Tank Release Indemnity Fund.
<b>Other Financial Techniques</b>	None. Devon paid for the project and did not seek any financing.
<b>New Tax Revenues</b>	\$13.1 mm ad valorem taxes per year; \$20.2 mm construction sales tax; \$250.2 mm direct and indirect local tax revenues annually projected over the next ten years.
<b>Community Outreach</b>	Ground floor space, including healthy option restaurant, and Devon Park, including outdoor seating, open to the public; tours are provided to educate public about the building's sustainable features; 284-seat auditorium available to civic and charitable organizations; partnerships with downtown and art organizations for public entertainment and activities. Devon public offerings featured in USA Today <a href="#">article and photo</a> on 12.4.12
<b>Innovative Environmental Regulatory Techniques</b>	LEED "innovation" credits received for exemplary water efficiency; public transit access; sustainable cleaning practices and products; and sustainability education through public tour program.
<b>Innovative Remediation Techniques</b>	"Bathtub" installed at the site cleaned groundwater through a carbon filter system.
<b>Innovative Economic Development</b>	Tax increment financing used to improve 180 acres of downtown Oklahoma City and to provide incentives for attracting other businesses downtown. No tax increment monies were used on Devon property.
<b>Land Conservation</b>	Two acre "Devon Park" dedicated to open space adjacent to renovated 17-acre Myriad Botanical Gardens.
<b>Sustainable Development</b>	LEED-NC Gold Certified development.
<b>Federal Partners</b>	Not applicable.