



EBA 2017 WINTER CONFERENCE – TAMPA, FL.: Schedule of Events

Agenda as of 12/20/16. Subject to change.

Sunday – January 15, 2017

- 8:15 – 12:00 PM **EBA Gives Back** (Advance Registration Required)
Ronald McDonald House and Trinity Cafe
- 1:00 – 4:00 PM Exhibitor Set-Up
- 4:30 – 5:00 PM **EBA Banker Only Session & Welcome New Bankers**
- 4:30 – 5:00 PM **Welcome Session for Affiliate Members**
- 5:00 – 5:30 PM **EBA Business Meeting** – All Attendees Welcome
- 5:30 – 7:00 PM **Evening Reception (Sponsored by Partner Engineering & Science)**

Monday – January 16, 2017

- 7:00 – 8:00 AM Continental Breakfast (**Sponsored by: EDR**)
- 7:30 – 5:00 PM Exhibits Open
- 8:00 – 8:10 AM **Opening Welcome & State of the EBA** - EBA Vice- President
- 8:10 – 8:55 AM **Bridging the Divide: International Due Diligence for Corporate and Commercial Real Estate** – Lyly Churchill, Partner Engineering & Science; David Hodges, AEI Consultants; and Nathan Brodeur, Goodwin Procter, LLP; Moderated by Ryan Marcos, MUFG Union Bank
- A 50,000-ft. view of the wide differences, limitations, and process considerations for undertaking ESA diligence in Latin America and the European Union. Additional discussion is intended on regulatory frameworks related to conducting environmental due diligence as the American emphasis on liability is lacking in many other countries. Discussion will cover: Key differences, characteristics, comparison to ASTM 1527-13's standard components, legal framework for innocent landowner defense, and available data types - with a few country specific examples regarding process and timing considerations.
- 9:00 – 9:30 AM **The Story with Green Dry Cleaners - Are they an Environmental Friendly Alternative for PCE Phase Out?** – Richard George, EBI; Moderated by Bill Tryon, Partner Engineering & Science

This presentation will focus on types of green chemicals, are releases being investigated, whether applicable clean-up standards are in place, and is regulation on the horizon? Plus, the status of Perchloroethylene (PCE) phase -out in Florida & other states.



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9:35 AM- 10:20 AM

Lending Forecast: What You Should Be Thinking About Now - Thomas Fink, Trepp; and K.C. Conway, SunTrust Banks, Inc., Moderated by Dianne Crocker, EDR Insight

The commercial real estate market continues to benefit from strong fundamentals and an active transaction market, but chatter about an imminent downturn is increasing. What should banks be thinking about now? Is there a bubble in the market's future? How concerning is climbing retail vacancies? How does the 2016 CMBS downturn impact other lending sources? How might the next downturn look differently from the last one? This track will help attendees reconcile the difference between forecasts of an upcoming downturn and recent growth in property lending, with valuable take-aways for steps to take now as protection against tomorrow's greatest risks.

10:20 – 10:50 AM

Break (**Special Thanks to EBA Gold Sponsors**)

10:50 – 11:30 AM

Economic Impact of Water Scarcity in Florida – Brenna Durden, Lewis, Longman, Walker LLP; and Bloomberg BNA (invited); Moderated by Holly Neber, AEI Consultants

When one thinks of Florida, a scarcity of water is rarely one vision that comes to mind. However, with less rainfall and a forthcoming influx of seawater into inland fresh water tributaries, identifying prudent ways to manage, conserve and retain fresh water to sustain future growth is of vital importance to the state. This presentation will explore the ideas and initiatives being undertaken to address water scarcity in Florida as well as highlight the economic impact that this issue will have to developers and residents.

11:35- 12:05

“Out of the Frying Pan into the Water: Emerging Contaminants Such as PFCs, 1,4-dioxane and Nano Particles are Here” - Jeff Sotek, AMEC Foster Wheeler; and Joseph Campisi, AEI Consultants; Moderated by Cate Landry, BB&T Bank

During the last decade, new data regarding the toxicity of several classes of contaminants has resulted in reclassification of these compounds as emerging contaminants. Perfluorochemicals (PFCs), Polyfluoralkyl substances (PFAS), 1,4 dioxane, and nano particles, as well as other endocrine disruptors each have a unique risk profile and in many instances, can have health affects in the parts per trillion range. Federal regulatory agencies in the US, Canada, Europe, and several states have developed guidelines. This presentation will elucidate the source of chemicals, types of properties that might present concerns, and how to best manage the risk during the due diligence process.

12:05 – 1:30 PM

Lunch (**Sponsored by: ERI**)

Presentation: Tips for Communicating with Diverse Personality Types – Gayle Waldron, The Management Edge

Have you ever been extremely frustrated with a co-worker? Did it feel like you were speaking a foreign language, but needed the opposite to create a cohesive team to accomplish the goals before you?

Gayle Waldron has worked with the Department of Defense and other government agencies to improve communications and remove roadblocks to success. The basis for much of her success was developing an understanding for the different Myers Briggs Personality Types, coupled with hard work and determination!

Don't miss our special guest speaker, Gayle Waldron as she shares some tips & tricks gleaned from her experiences with government agencies on communicating with many personality types for successful work



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teams and individuals by creating easier, more productive working relationships, increased respect, lower miscommunication and increased productivity.

1:30 – 2:05 PM

Update on Participations/Syndications Project: EBA Developing a fact-oriented spreadsheet for use by multiple bank reviewers - Mary Clare Maxwell, JP Morgan Chase

During EBA's last conference in Ft. Worth, we began the process of developing tools to facilitate review of lead-bank and borrower-provided due diligence by multiple lenders involved in the same transaction. Come hear an update and provide input for both banker and consultant perspectives.

2:05- 2:25PM

Banker Perspectives on Borrower Monitoring: Properties with Continuing Obligations/Covenants and Reevaluation at Loan Renewal – Stephen Richardson, TD Bank; and Mary Clare Maxwell, JP Morgan Chase

Informal thoughts and discussion centering on how environmental bankers build in ongoing monitoring and review of borrower obligations that extend past loan closing. Once the risk has been accepted, does the same approach apply when the loan is renewed or additional money lent?

2:35 – 3:15 PM

SBA Topics: Internal SBA Evaluation of Reports and New Contaminated Property Lending Approach in Michigan – Eric Benderson, SBA; and Mike Kulka, PM Environmental; Moderated by Derek Ezovski, ORMS

This presentation will cover three main topics: 1) How the SBA is organized internally for both the 504 (Grow Loan) and 7a (Advantage Loan) programs, with special focus on who actually reviews which reports within the agency, in what circumstances does the SBA's internal expert do a review on a Preferred Lender Provider (PLP) loan properties, and when does the lender make the decision on their own; 2) SBA has dramatically increased the due diligence required for Agricultural loans in light of recent legal complications; and 3) SBA financing of contaminated properties related to Michigan Department of Environmental Quality (MDEQ) requiring deeper investigation into potential Vapor Intrusion issues as well as limiting the use of the Documentation of Due Care Compliance report to only current owners, leading prospective purchasers to seek alternate options .

3:15 –3:45 PM

Break (**Special Thanks to EBA Gold Sponsors**)

3:45 – 4:30 PM

Legal Update: The State of Reopeners and Vapor Intrusion Litigation Landscape - Kimberley Hale, Kazarek, Mowrey Cloud Laseter LLP; and Genna Olson, ATC Group Services; Moderated by Alan Agadoni, ATC Group Services

This session will discuss and analyze the latest case law decisions over the last year relative to environmental issues at residential, commercial, and industrial properties. Topics include: Federal and state authority for reopening closed sites due to vapor intrusion concerns; survey of state reopener policies; proposed federal rule adding the subsurface intrusion component to the national Hazard Ranking System (to become final in early 2017); and the litigation landscape in and sample cases across the country showing the wide range of conclusions by the courts when considering vapor intrusion concerns.



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4:35 – 4:50 PM

Waste Management: Beyond Landfilling - John Tabella, SCS Engineers; Moderated by Jeff Sotek, AMEC Foster Wheeler

Whether dealing with investigation-derived waste, contaminated site waste, or general solid waste, a generator needs to know how to characterize the waste and what the requirements are for disposal. Much solid waste (60%) continues to be landfilled, but in recent years, recycling and waste diversion programs have caught hold, extending the life of landfills, but this has affected landfills as businesses and landfill gas (LFG) capture and cogeneration rates. We'll explore the options for disposal of hazardous waste, evaluation of cost versus compliance versus liability concerns, and required steps for beneficial reuse of a hazardous or contaminated waste stream.

4:50- 5:20 PM

Dry Cleaner Risk Tolerance – Karen Nelson, ERI; Moderated by Jenny Redlin, Partner ESI

This session will evaluate the varying risk tolerance levels applied at financial institutions for loans where active dry cleaning operations exists. What triggers are being considered for requiring additional investigation and what risk mitigation is being employed to discount the need for further investigation.

5:30 – 6:45 PM

Evening Event – **“Tribute to Evan Henry”**

Tuesday – January 17, 2017

7:30 – 9:00 AM

Continental Breakfast

7:30 – 8:45 AM

Breakfast with the Board

9:00 – 9:30 AM

Policy Waivers and Risk Mitigation - Pros & Cons- Cathy McGowan, Wells Fargo Bank; Jan Sheinson, BMO Harris Bank; and Rick Ferguson, US Bank; Moderated by Cate Landry, BB&T Bank

The Phase I has been completed – REC's have been identified, and additional investigation has been recommended. What's Next? This presentation will explore risk mitigation measures applied at financial institutions to address potential environmental issues in lieu of additional investigation. The processes required to apply such risk mitigation measures, as well as the pros and cons.

9:35 – 10:05 AM

Legal Update: Recent Court Cases and Regulatory Actions - Bill Alpine, ECS; and Fred Dindoffer, Bondman PLC; Moderated by Beth Sexton, PM Environmental

This session will discuss and analyze the latest case law decisions over the last 24 months relative to environmental issues at residential, commercial, and industrial properties.



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10:10 – 10:30 AM

Florida's 3000 Abandoned Cattle Dip Pits- John Sallman, Terracon; Moderated by Craig Eaton, Terracon

Arsenic was used in the most popular pesticide formulations applied to Florida's vast orange groves and cattle ranches since the late 1800s, until banned in the 1980s. Between 1910 and 1960, approximately 3000 cattle dipping vats were built in Florida that used arsenic trioxide (As₂O₃) as the primary killing agent to eradicate cattle ticks. Complicating matters, arsenic is naturally occurring in some of Florida's limestone deposits.

10:30 – 10:50 AM

Break (**Special Thanks to EBA Gold Sponsors**)

10:50 – 11:20 AM

Data Liquidity: Efficiency is the Name of the Game - Michael Berman, Berman Consulting; Dennis Firestone, CBRE; and Jamie Haberlen, EDR

The need to access accurate and reliable data quickly and cost-effectively is intensifying in today's competitive and highly regulated real estate lending environment. Competitive pressures are forcing lenders to reduce origination costs and complete underwriting quickly, but not at the expense of prudent risk management or regulatory compliance. This session will draw on decades of expertise with industry insiders taking a unique look at how the data collection process has evolved dramatically from the days of paper. This provocative presentation will highlight what the proliferation of big data and the tools for accessing it mean for the future of lender risk management.

11:25 AM- 12:05 PM

Intersection of Appraisal & Environmental (including Appraisal Institute's (AI) Newly Issued Guide Note 13) - Jim Murrett, MAI, SRA, Appraisal Institute; Moderated by Georgina Dannatt, Bank of the West

This session will discuss the Appraisal Institute's Guide notes titled "Consideration of Hazardous substance in the Appraisal process", as well as discuss the source and validity of information used for appraisal significant assumptions. The session will further evaluate the interface within banks between the appraisal and environmental departments and explore ways on how to better incorporate an environmental component into appraisals.

12:05 – 1:30 PM

Lunch (**Sponsored by ERIS**)

Interactive Presentation: Developing Industry Consistency on "What is a REC?" RECs, CRECs, HRECs, De Minimis Conditions, and Data Gaps/Failures – Julie Kilgore, Wasatch Environmental

1:45 – 4:45 PM

Concurrent Sessions

- **Banker Only Session:** Led by Dave Lambert, Wells Fargo Bank; and Jan Sheinson, BMO Harris Bank. Topics under consideration include:
 - Syndication/Participation Spreadsheet Discussion
 - ERM Value Evaluation
 - a. What is Management thinking and Ways to demonstrate ERM value
 - b. Identifying and maintaining the edge on upcoming regulatory (both environmental and OCC compliance) risks to the Bank
 - c. Discussion on Risk Appetite Changes



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- Environmental Loss Monitoring. System of Record tracking for loans identified with environmental issues at the time of loan origination or pre-screen. No-go funding, hold-backs/escrows, etc.
- Outsourcing & Portfolio Reviews. Outsource concepts, timing constraints, reviewing VJM work, VJM payment structure (direct recovery from business unit/borrower vs overhead budget). Pros/cons.
- Contingency plan for the next downturn. Self-performing limited due diligence in downturns. Lessons learned from the last downturn. How to ramp backup in pre-foreclosure mode?
- Audits – What’s new? Past Experiences to Learn From

- o **Affiliate Only Session:** Led by Julie Kilgore, Wasatch Environmental; and Derek Ezovski, ORMS

- REC/HREC/CREC Roundtable- Discussion of Unusual Cases and How to Categorize
- Committee Opportunities- Website, Education, News
- Open Discussion- Topics & planning for June 2017 Conference & Mid-Cycle Affiliates conference call

3:00 – 3:15 PM

Break (**Special Thanks to EBA Gold Sponsors**)

5:00 - 7:00 PM

Board of Governors Meeting (closed meeting)

Wednesday – January 18, 2017

8:30 – 12:00 PM

Getting from the Phase I to the Risk Management Decision

Presented by: Julie Kilgore, Wasatch Environmental; Rita Wiggin, Commerce Bank; and Bill Sloan, Commerce Bank

- Phase I Environmental Site Assessments - State of the Practice
- What Bank Reviewers Look for in a Phase I Report
- Phase I Considerations
 - o Limitations
 - o Scope of Work
 - o Impact of Timing
 - o Consultant Approach
 - o Conditions/Features Identified as Risks
- Phase I Review Elements and Decision Making
 - o Recognized Environmental Condition (REC) vs. Recommendations and Action Requirements
 - o Risk to the Bank: Business Risks vs Environmental Health/Regulatory Compliance Related Risks
 - o Opinion of Consultant vs. Bank’s Risk Tolerance/Perspective
- Phase II investigations
 - o Risk vs. Benefit of Conducting Sampling
 - o Contract Considerations
 - o Who Orders