

Chapter VI

Community Involvement and Institutional Capacity

A. Introduction

As detailed in the previous chapter, there are a number of different funding and redevelopment resources available to assist in the restoration of contaminated properties; however, the capacity of a community to implement, organize, and coordinate the use of these potential tools will have a tremendous impact on the success of brownfields cleanup initiatives. This chapter will review community involvement, institutional capacity, and potential local strategies for brownfields redevelopment. These aspects of brownfields redevelopment are critical because local areas and states have been given more responsibility for cleanup efforts (see Chapter III).

B. Approaches to Community Involvement

Community involvement is an important part of the redevelopment process. Because of community opposition, areas or parcels slated for redevelopment often remain undeveloped or are developed only after costly delays. Although the idea of redevelopment may be welcomed by the community, the specifics might be challenged. Community participation should be planned for each brownfield redevelopment project. However, the goals, form, participants, and process of the involvement may vary according to the project. A strategy should be developed that fits the needs of the community and the project.

Whether designing a community-wide brownfields strategy or initiating the redevelopment of one site, it is important to involve the appropriate stakeholders. In general, a community involvement process might include: citizens, community associations, neighborhood groups, local (town, city, county) government, state government, community development corporations, landowners, developers, business owners, major employers, chambers of commerce, religious institutions, financial institutions, educational institutions, advocacy groups, and utility companies. These stakeholders are described in more detail in the following section on institutional capacity.

Importance

A community involvement process is important for a number of reasons. First, public input can serve to identify development ideas, concepts, and issues not identified by economic development organizations or developers alone.

This inclusive process will help to galvanize support for or lessen opposition to a project. Once

community members become engaged in the process and its outcome, they are more likely to accept or support it. Conversely, if community members are not involved in the process, they may become suspicious and confrontational and work to stop the project.

Third, if public funding is used, community members might insist that information be provided and that they have a voice in the decision-making process. The community involvement process increases public sector accountability and responsiveness.

Finally, involving the community in the redevelopment process helps to build capacity for ongoing participation. This way, a process and a constituency is in place to facilitate the redevelopment of other sites.

Factors to Consider

Before embarking on a community involvement process, a strategy should be developed that includes two main components: (1) goals for the process and (2) an assessment of the community. The resulting strategy should reflect both the goals and the community. A number of items should be considered such as:

- What is the culture and history of the area in which the project is located? Have there been other attempts at redevelopment? What kind of attitude does the community have toward change?
- Who are the leaders in the community? Are there community leaders who may not be part of a formal organization? Does the leadership change often?
- Who are the stakeholders in the community? Are the stakeholders represented by organizations? What are the characteristics of those organizations?
- How is the project being funded?
- What motives are driving the process?
- Who or what entity is driving the process?
- How large is the project? Does it affect multiple neighborhoods?
- If a strategy, how many neighborhoods does it affect?
- Who has power to stop the project?
- If a project, is the site included in an existing plan (e.g., neighborhood plan, revitalization plan)? If a community-wide strategy, have there been other planning efforts that address similar issues?
- Are there ideas for the site from previous plans or efforts?

The strategy will vary according to the answers to these questions. For example, in active communities with a solid organizational infrastructure, it is important to involve the community from the beginning and include representation from all of the stakeholder groups in an inclusive and ongoing process. For other communities, it may be sufficient to work with a few key strategic organizations for a limited time.

The nature of the development affects the amount of necessary community involvement. The redevelopment of a small parcel in an industrial area may require little community input. In contrast, new construction of a large commercial space near a residential neighborhood may

require a long, intense process. The extent of regulatory changes (e.g., re-zoning, variances) also has a major impact on community involvement. The greater the change, the more opportunity the community will have to review and comment on development plans and the more important it will be to implement a well-organized public participation process. The ultimate goal is to develop a strategy that fits both the community and the project.

The process for a brownfield redevelopment strategy is somewhat different from that of a project. In planning a community-wide strategy, there must be extensive community involvement. After identifying stakeholders, look for capable community leaders who can make a time commitment. They should become leaders and representatives for the strategy. Wherever possible, development of a brownfield redevelopment strategy should be integrated into other community-wide planning efforts.

Process

Most community involvement processes involve meetings. Although the type of meeting will vary according to the strategy, some aspects should remain constant. For instance, the convener should:

- Provide written materials and graphics (if appropriate) to participants before the meeting. Participants need time to reflect on information about the project and should not be expected to comment on material they have not reviewed. At the meeting, the written material and an agenda should be provided.
- Take notes and ensure that notes taken during small group activities are collected at the end of the meeting. Additionally, there should be a sign-in sheet requesting the name, address, telephone number, and e-mail address of all participants.
- Attend the meeting. The person(s) responsible for the project should be there to listen to participants, receive feedback on proposals, and comment on the feasibility of suggestions. However, they should act as convener and host rather than as an authority. For instance, they should not feel as though they must answer every question posed at the meeting. If participants are to be drawn into the process, they must feel as though their opinions and suggestions are taken into consideration and will be used in the process. Similarly, support staff should attend the meeting. As noted above, staff should not feel as though they must provide answers to every issue discussed. However, staff can provide answers to technical questions to enable informed discussions.
- Choose a convenient location for all participants, preferably transit and handicapped accessible. Make sure that the room reserved for the meeting is an appropriate size (not too big or too small) and set up appropriately. Community meetings are often held at YMCAs, schools, community centers, and other rooms available for nonprofit/community use. If necessary, meeting organizers should find out if a sign language or other foreign language interpreter is needed.
- Provide food and refreshments. This is especially true if the meeting is in the early evening or early morning. This allows participants to focus on tasks--rather than their

hunger--and conveys a message that their presence is valued.

- Follow up. After the meeting(s), follow up with each of the participants with results from the meeting, information on next steps, and other relevant information.

The following other aspects of the process will vary according to the community involvement strategy developed.

- Participants. The process could be open to the general public or limited to an invited group of representatives from key organizations. Again, the participants should reflect the culture of the community as well as the task. For instance, in a community that requires broad participation before decisions are made, the process should be open to the general public and widely advertised using posters, e-mail, websites, newspapers, civic organizations, churches, and newsletters.

In a community that relies on organizations and public officials to represent their interests, less publicity might be appropriate. In this type of community, officials and representatives from key organizations should be identified and invited to participate.

The identification of participants should not be underestimated. Involving the right people in the process is instrumental in the success of a project. (See the following section on institutional capacity for a description of the various stakeholders.)

- Format. The community involvement process might include large structured public dialogues, small targeted meetings, or formal citizen advisory committees.
 - Large public meetings can be made more manageable by breaking into small work groups during the meeting. One way to organize this type of meeting is to divide it into three parts:
 - (1) Plenary session with a welcome, general overview of project, and a description of the task(s) for the meeting.
 - (2) Break-out sessions where participants work on a specific task in small groups often with a facilitator.
 - (3) Plenary session where the break-out groups report their results to the full group.

It may be useful to use impartial facilitators for the break-out and final plenary sessions. Facilitators can help manage the process, leaving those involved to concentrate on the issues at hand.

- Small targeted meetings would be appropriate for communities with strong representative organizations. Representatives from all key organizations in the community should be personally invited to attend. Ideally, attendees should have the authority to speak for their organizations and should be prepared to report back to their members. An impartial facilitator might be used at this type of

meeting, however, it may be more effective for a well-respected community leader to act as facilitator. Again, this depends on the community and the goals for the process.

- Formal citizen committees and advisory groups are authorized and organized by local governments. These committees should represent a diversity of constituencies including the private sector and citizens. They typically come in four types: (1) standing committees based on geography (often referred to as community planning organizations); (2) standing committees based on function (e.g., a parks committee); (3) temporary committees based on geography (e.g., an ad hoc committee on revitalizing a downtown area). (4) temporary committees based on function (e.g., a task force to oversee brownfields redevelopment).

The primary responsibilities of these groups are to advise elected and appointed local officials on revitalization issues and to provide practical recommendations. They do this by identifying the interests of stakeholders and residents; making the different points of view known to local decision-makers; and ensuring local concerns are considered in the planning and implementation processes.

Conflict Resolution Techniques

Land use decisions can be emotionally charged for a community. Regardless of the level of a community's involvement, the redevelopment process has the potential to get stalled by disagreements and ongoing debates. If this happens, EDOs or some other interested party may wish to facilitate a process that assists stakeholders reach consensus. Often referred to as conflict resolution or alternative dispute resolution, these structured processes can provide viable alternatives to long, expensive court battles. The three main types of conflict resolution techniques are facilitation, mediation, and arbitration.

Facilitation: Facilitation is a “voluntary, informal, and flexible process of communication guided by a neutral professional. In addition to mediating conflicts, facilitators can identify stakeholders and issues, clarify roles and responsibilities, guide parties to a common understanding, and build a partnership among groups and diverse interests.”* Facilitation aims to reduce conflict, ensure all stakeholders are heard, formalize a community involvement process, and keep the project on track. As of spring 2000, EPA was providing assistance and advocating facilitation to sites with stalled brownfield redevelopment projects.

Mediation: The next level of intensity in alternative dispute resolution is mediation. “Mediation uses a neutral third party, typically with no decision making authority, to aid in negotiations that are stalled or particularly problematic.”** It is a voluntary process where mediators can assume a variety of roles from facilitative--assisting parties to develop their own solutions, to evaluative--providing recommended settlement terms. In particular, mediation could be useful when parties are at an impasse or a resolution is needed in a short amount of time. Mediation is also appropriate when facilitation has proven to be unproductive or if the parties will need to work together after the dispute resolution process.

Arbitration: When facilitation and mediation will not work, arbitration may be the best alternative. Arbitration can be binding or non-binding and involves a neutral third party who renders a decision at the end of the process. Binding arbitration is less formal than litigation, but decisions can be enforceable by law. Non-binding arbitration follows the same process as binding arbitration, but the arbitrator's decision is advisory. In both types of arbitration, the parties develop rules and procedures for the process and each side is obligated to follow them.***

Notes

* "Facilitation Comes to Brownfields," in Cleanup News (EPA), Spring 2000.

** Branham, Sharif, "Using Facilitation and Mediation to Manage a Brownfields Project," in EPA Pilots News, a publication of the Institute for Responsible Management, Inc., February 1999.

*** Information on arbitration from CPR Institute for Dispute Resolution at <http://www.cpradr.org/home1.htm>.

Resources

Organizational Websites

National Institute for Dispute Resolution at <http://www.continet.com/nidr/info/glossary.html>

The Consensus Building Institute, Inc. at <http://www.cbi-web.org>

Mediation Information & Resource Center (MIRC) at <http://www.mediate.com>

Publications

"Using Assisted Negotiation to Settle Land Use Disputes: A Guidebook for Public Officials," by Lawrence Susskind and the Consensus Building Institute, 1999. Available from the Lincoln Institute of Land Policy at 1-800-526-3873.

"Resolving Land Use Conflicts through Mediation: Challenges and Opportunities," by David Lampe and Marshall Kiplan, 1999. Available from the Lincoln Institute of Land Policy at 1-800-526-3873.

As part of a community involvement strategy, the EDO should consider whether or not to include a media relations campaign. If the project is highly visible and community consensus is crucial, the media should be included in the process. Information provided to the media should be consistent and timely. If at any time erroneous reports appear in the media, project representatives should make swift corrections. Also, current information should be available on an official website. This timely and accurate information will help to build consensus and develop the community's capacity to participate in the process.

Finally, the timing of involvement should be included in the community involvement strategy. In some instances, early involvement by the community is an important element for success. Again, this helps to build consensus and the community's capacity for involvement. However, the timing of involvement will depend on the community's characteristics and the goals for the process.

C. Institutional Capacity

Institutional capacity is the ability of a community's constituents to bring together their resources and strengths in order to redevelop a contaminated property. The businesses, government, non-profit organizations, and citizens of a community collectively represent that community's institutional capacity. Neighborhood involvement in the redevelopment process is one mechanism for building institutional capacity. As the success of brownfield initiatives is increasingly determined at the local level, the institutional capacity of a community affects its ability to cleanup and productively reuse contaminated land.

Clearly, any discussion of institutional capacity must focus on who these local players are. As discussed above, stakeholders vary by community and project. The following section provides brief descriptions of segments of the community likely to be involved in brownfields redevelopment efforts. This discussion is divided into four sections: local government, neighborhood groups, private sector, and institutions.

Additionally, it should be noted that citizens can be an important part of the capacity-building process for brownfields redevelopment. In some instances they are well-represented by organizations such as neighborhood associations or advocacy groups, and are therefore integrated into the process. Other times, citizens may be less organized. In these instances, it may be beneficial to provide some mechanism for structured participation.

Local Government

Perhaps the most critical factor in the success of local brownfields projects are the local government jurisdictions such as cities and counties. It behooves local governments to participate in brownfields efforts since a successful redevelopment project can increase the area's tax base, provide local employment opportunities, and improve the overall quality of life for residents.

County Government

County government agencies serve urban, suburban, and rural areas within a state. In a county with a large city, county and city organizations must evaluate how they can work together to leverage each other's efforts. Counties play a significant role in helping to shape the area's economic development strategy. As public organizations, they serve a wide variety of needs such as maintaining infrastructure, financing businesses and real estate, and business development and attraction. Clearly, redeveloping area brownfields fits well within this agenda.

Counties have at their disposal brownfields tools such as revolving loan funds, industrial development bonds, direct loans to businesses, and tax abatement programs. (For a description of these resources see Chapter V).

City Government

Cities usually include the most urban areas of a region and, therefore, the most brownfields sites. While cities get traditional funding from federal, county, and state sources, they also can find innovative sources of funding like parking fees, gaming, fines, and forfeitures. Cities also have an extremely wide range of responsibilities. For example, a city is likely to be responsible for marketing, business and real estate financing, commercial revitalization, construction projects, business attraction and retention, zoning, and permitting. Brownfields redevelopment tools available to cities include industrial development bonds, infrastructure improvements, revolving loan funds, direct loan programs, special improvement districts, and tax increment financing projects.

As will become clear later in this chapter, city governments must lead the way and take an active role in developing a comprehensive brownfields strategy and in individual brownfields projects. This involvement can come in any number of different forms, but almost always leverages private sector participation, prioritizes problem sites, and organizes other local actors.

Neighborhood Groups

Neighborhood groups that contribute to development and revitalization come in many shapes and sizes. The general objective of most neighborhood groups is to improve the standard and quality of life for local residents. To meet this goal, groups:

- Reverse patterns of disinvestment from neighborhood businesses and real estate.
- Increase public and private investment within the neighborhood.
- Improve the economic status of residents in the community.
- Upgrade the physical environment of the neighborhood.
- Reduce crime and increase safety.
- Increase the involvement of neighborhood residents in development and revitalization efforts.

Rehabilitating a brownfield fits all of these objectives. Neighborhood groups that may be interested in participating in redevelopment efforts include religious institutions, community development corporations, community development financial institutions, and neighborhood business groups.

Religious Institutions

Historically, religious institutions have been involved in feeding and sheltering the homeless and fulfilling the intellectual and spiritual education of their congregations. Now, religious institutions are increasingly using their position in the neighborhood to influence and finance local economic development efforts. The political strength of large inner city congregations is an effective means of leveraging public and private support for neighborhood economic development projects. Churches, for example, have spurred many neighborhood development initiatives by using their political and social clout to find support. Their sense of community responsibility ensures resident participation and approval. Their community outreach and ability

to appease people's concerns make them a valuable partner in economic development efforts. The Reverend Robert Clementson and Richard Coates' book, Restoring Broken Places and Rebuilding Communities, is an excellent source of information on church involvement in neighborhood revitalization.

Community Development Corporations

Community development corporations (CDCs) are one of the most prominent non-government organizational structures for neighborhood economic development. CDCs are for-profit or non-profit organizations that focus on the development or revitalization of a declining community. Traditionally, CDCs focused on housing issues, however, they are becoming more involved in redevelopment and economic development. Indeed, they can become vital components of a community's plans to redevelop a brownfield.

Most CDCs are non-profit 501 (c)(3) tax-exempt organizations. This allows them to obtain federal and private support. For-profit CDCs may be subsidiary organizations to larger entities and undertake some profit-making development work. All CDCs focus their efforts on specific geographic areas, usually concentrating on low-income residents.

CDCs expand the resources available for neighborhood economic development by:

- Providing technical assistance.
- Packaging public and private financing.
- Assisting city planners in development planning.
- Investing in development and redevelopment projects.
- Developing and managing development and redevelopment projects.
- Providing leadership to stimulate the development process within the community.
- Directing city investments within neighborhoods to achieve the greatest impact and leverage.

CDCs fill an important gap in finding the private money to support local redevelopment projects, such as brownfield rehabilitation efforts. CDCs as financial intermediaries, have invested in and made loans to businesses in real estate, retail services, finance, manufacturing, and commercial services. CDCs also can provide an incentive for private sector investment through their financial participation in a project and their ability to package local, state, federal, and private financial resources. Many CDCs invest in manpower training and social service programs that directly support and complement redevelopment. CDCs also take part in business ownership programs, commercial and industrial real estate projects, and technical assistance.

Community Development Financial Institutions (CDFIs)

Community development financial institutions (CDFIs) are financial intermediaries that promote community economic development among residents of economically depressed areas. These regions or neighborhoods are frequently ignored by conventional financial institutions, resulting in long-term community disinvestment and economic decline. To combat these economic

problems, CDFI banks, credit unions, loan funds, and venture capital funds make investments in both community groups and small businesses. They can provide financial assistance for the early stages of brownfields planning.

Neighborhood Business Groups

Business groups are often one of the most vocal advocates for neighborhood redevelopment. They have a vested interest in their neighborhoods, since their livelihood depends on the well-being of the area. A firm surrounded by contaminated and deteriorating properties is going to have a difficult time succeeding.

A business group is a place where firm owners and CEOs exchange ideas, share concerns, and network. From these conversations and alliances, collective efforts to solve area problems are born. They can brainstorm for solutions to problems posed by local brownfields and take action such as lobbying the local government to force improvement. The business community can work as one entity, combining resources and political power, to refurbish the brownfields which have a detrimental effect on local commerce.

Private Sector

Most investors see inner city properties, and particularly brownfields, as high risk areas that offer little profit potential. Thus, the strengths and unique opportunities of investing in urban brownfields should be stressed to investors when promoting a deal. These positives may include:

- Nearby suppliers.
- Access to major roads.
- Existing infrastructure.
- A healthy consumer base.
- A strong potential workforce.
- Proximity to railroads or airports.
- Strategic location to other businesses and/or industries and, often, the central business district.

If it recognizes the economic potential of area brownfields, the private sector may be more willing to take an active and supportive role in redevelopment initiatives. The principal function of developers, corporations, financial institutions, utilities, and Chambers of Commerce, is to provide capital and technical assistance for these projects. The following information briefly describes each of these local actors. (For information on the resources available through these organizations and businesses, consult Chapter V).

Developers

Developers have traditionally shied away from contaminated properties and from development in low income areas. As competition for suburban development increases, developers are participating more in low income area redevelopment. As there are more creative ways to insure

and finance brownfields, developers are becoming more active in their redevelopment.

Corporations

Corporations are becoming major players in helping neighborhoods meet their development needs. They can provide vital resources for reinvestment in the community, and not always through monetary contributions. The business and financial experience of company employees make them valuable advisors and teachers. Corporations can provide:

- Job training.
- Financial support.
- Investment for future business.

Financial Institutions

Financial institutions play a crucial role in local brownfield redevelopment. Lending institutions have recently improved their participation in neighborhood economic development efforts for two reasons. First, they are recognizing the benefits of supporting local development. Second, related activities comply with the federal Community Reinvestment Act (CRA), which requires that financial institutions play a larger role in community development. Some banks are actively involved with CDCs, providing financial support and serving on the boards. Positive relationships established with neighborhood groups promote greater lending activity and technical assistance to neighborhood projects. Another approach is to designate special lending units or divisions within the bank with unique lending programs targeted to declining neighborhoods.

A key strategy adopted by some banks is to establish subsidiary **bank community development corporations**. Unlike banks or bank holding companies, bank CDCs can purchase, construct, or rehabilitate property. Bank CDCs can undertake downtown or neighborhood revitalization and industrial development and redevelopment projects. This allows a bank, or bank holding company, to help fill equity gaps and enables projects to qualify for debt financing where, under other circumstances, they would not be able to play a role. Bank CDCs can also provide subordinate debt which can be used to leverage bank participation in an economic development venture. Some bank CDCs are multi-bank consortiums in which several banks in a community or region participate. The combination of equity investments from multiple banks creates a larger pool of equity funds for higher risk projects such as brownfields and helps to leverage other private and public funds.

Utilities

Utilities are public and private companies that provide services such as electricity, natural gas, water, and communications systems to regions and communities. They have played a key part in economic development, particularly business retention and expansion, because they are highly dependent on the economic status of the area. Due to their considerable investments in regional and local infrastructure, such as water pipes and electrical and natural gas lines, utility companies cannot move to another location in the face of economic downturn. The survival and

profitability of utility companies depend on the preservation and growth of the customer base in their service areas. Some utilities:

- Develop real estate projects in distressed areas such as those with brownfields.
- Provide information on available land and facilities in the service area for companies seeking to expand in or move to a new location.
- Start revolving loan funds and grant programs for small companies and non-profit community economic development organizations.
- Offer low cost financing for local businesses.
- Are active participants in business attraction programs by marketing their community to prospective clients.
- Plan and implement marketing programs.
- Conduct surveys and assessments to help meet the present and future needs of companies.

Chambers of Commerce

Chambers of Commerce are local groups that serve as the business advocate of an area. Primarily membership based, chambers focus on networking among members and issues facing local firms, giving firms a voice in the legislature and the community. Keeping businesses up-to-date on issues, such as brownfields, are important for their membership. While the types and quality of services vary dramatically across areas, these organizations can be an essential component of a community brownfields strategy.

Institutions

Three types of institutions that can be strong components of a local brownfields plan are institutions of higher education, hospitals, and foundations.

Universities, Colleges, and Community Colleges

Universities, colleges, and community colleges are uniquely empowered and driven to participate in local economic development. Institutions of higher learning are invested in their facilities and buildings and have a vested interest in the economic health of their host community, since their faculty, staff, and students may reside there. In addition, economic health will contribute student and research recruitment success. Schools must be involved in area development, otherwise they will not be able to attract the student and teachers necessary for prestige and survival. Today's institutions frequently have economic development departments within the administrative services which develop strategies for promoting economic development.

There are a number of ways institutions of higher education can assist in brownfields projects. For example, institutions of higher education with a planning program can provide assistance with the drafting of long-term, comprehensive plans for brownfields reuse. Students and professors gain field experience, while the local community benefits from expert advice.

Hospitals

While hospitals are tremendous economic contributors to the local economy, some hospitals have lost patients and doctors because of the condition of their surrounding neighborhoods (e.g., local contaminated properties). As a result, urban hospitals have begun to take part in cleaning up their respective neighborhoods. In order to improve the appeal of their communities, they are frequently willing to assist local economic development initiatives.

Foundations

Foundations have long been active in neighborhood revitalization activities ranging from research on policy alternatives to support for grassroots efforts. The contributions of foundations can be critical to leveraging additional support for a brownfields project. Combining the sound capital resources of these institutions with the technical information of locally-based organizations can improve the economic condition of inner city communities. (For additional information on the resources available through foundations for brownfields remediation, see Chapter V).

D. Local Brownfields Actions and Strategies

Thus far, the discussion in this chapter has been limited to identifying potential local partners in brownfields reuse projects and to highlighting mechanisms for involving those partners. This section describes the next step: the variety of actions and strategies from which these local constituents and government entities can choose. (For information on the funding and redevelopment resources available at the local level, refer to Chapter V).

First and foremost, local governments must lead the community in these actions. Without the support and participation of local government, a brownfields restoration project will probably fail. Local governments must streamline the redevelopment of brownfields by organizing and coordinating the activities of investors and developers and federal, state, and local environmental regulators. There are numerous local strategies and tactics for brownfields redevelopment. They include:

- Match-making.
- Developing a single brownfields oversight entity.
- Forming a service center.
- Educating and organizing funders.
- Assuming liability.
- Creating a list of sites.
- Establishing insurance pools.
- Creating private shared-risk lending pools
- Fostering public private partnerships.
- Maintaining records of land use decisions.
- Working with federal and state agencies.

- Organizing voluntary citizen groups.
- Ensuring condemned properties are appropriately appraised.

If the city has the money, it may hire a consultant to do some of this work, particularly the more technically demanding activities.

Match-Making

Local governments can play a critical role in stimulating the restoration of their brownfields by matching sites with potential investors. In some cases, by simply providing the public with information on sites, investors will come forward. In other situations, a city may need to take a more active role. **The city can broker the reuse of brownfields by using its knowledge of the needs of its constituents.** Thus, with the right incentives, an expanding business that is threatening to move might be appeased by the prospect of relocating to an available property.

Creating a Single Oversight Entity

In some communities, a dedicated organization has effectively stimulated brownfields redevelopment. Indeed, the brownfields broker role may be best played by a single entity comprised of a variety of public officials, environmentalists, consultants, business persons, and citizens. Because brownfield redevelopment efforts involve a variety of different departments, agencies, and interests, all with potentially competing agendas, some communities have formed one entity composed of representatives from these different fields. There are several advantages to these oversight entities. For example:

- They are able to draw on a diverse base of knowledge and a large and far reaching network to identify possible investors and developers.
- Putting all of these players under one roof also helps to minimize the logistical and administrative nightmares that often accompany restoration planning.
- At the government level alone, having state and local representatives working together can help streamline community access to state initiatives such as Voluntary Cleanup Programs. Jurisdictional complications can slow down and even halt a brownfields initiative.

Spotlight on: Central Massachusetts Economic Development Authority (CMEDA)

The Central Massachusetts Economic Development Authority (CMEDA) was created in 1996 to deal with the brownfields in Central Massachusetts. Established by state statute, CMEDA is composed of 18 counties.

In order to improve CMEDA's capacity to assist in the redevelopment of these brownfields, the Commonwealth of Massachusetts and the Department of Environmental Protection have given CMEDA the right to provide environmental indemnifications. These mechanisms exempt future property owners and potential purchasers from any liability for existing contamination. (For information of indemnifications, see Chapter V).

CMEDA is involved in a range of projects. In some cases, the Authority takes a very active role in the cleanup and redevelopment stages. For example, they may issue revenue bonds. In other scenarios, CMEDA is less involved, acting as a brownfields broker. The activities of CMEDA are to be financed through a “mitigation fund.” Because the fund is supported by a one-time infusion, CMEDA must review the potential of all projects to restore the fund.

For additional information call (508) 799-1880.

Service Centers

The non-profit community can increase its capacity to aid local brownfields projects by forming a one-stop service center. Such centers can provide developers, local businesses, and community organizations with financial advice and act as an information clearinghouse. These centers can also organize to identify local firms that may pose environmental problems. Those businesses identified may, in turn, consult service centers for information on what the relevant EPA regulations are, how to comply with those regulations and, if significant renovations are needed, locate the funding necessary to meet those requirements.

These centers should provide a variety of written and computer resources. For example, they should have lists of resources, successful redevelopment initiatives, and qualified consultants. Through service centers, government agencies and environmental groups can make available to the public important brownfields documents such as fact sheets and maps. Model loan documents and outlines should be provided which show how borrowers can assure lenders that they have preformed the necessary assessments, consulted the right parties, obtained the required approvals, assumed responsibility for unforeseen expenses, and taken precautions not to create additional contamination. Service centers can also house geographic information system (GIS) workstations which are linked to city, county, and state systems.

Educate and Organize Funders

To pay for service centers such as those described above, foundations, corporations, and other sources of financing will have to be tapped. Indeed, the capacity of many locally driven initiatives will depend on the participation of local funding sources. In order to obtain their support, these sources of financing may have to be educated about the importance of reusing brownfields and the part that non-profit organizations and community groups can play. Thus, it is a good idea to research who those potential donors are and hold briefings to match them with potential grantees. Provide case studies which detail how non-profit groups and the services they offered were essential to nearby brownfields projects.

Assuming Liability

The single most significant deterrent to the reuse of brownfields is liability for cleanup. While this can be extremely dangerous to do, some local governments have agreed to assume all, or a

portion, of the liability associated with a contaminated property.

Creating a List

During public meetings and information sessions, area business people and citizens can be asked to identify potential brownfields. Many communities have used these data to create a master list of potentially contaminated properties. This is an extremely common step to take at the local level. Many of the EPA's pilot programs have been used to fund these brownfields inventories.

These indexes are often the cornerstone of an entire region's brownfields strategy. Databases can provide government agencies, economic development organizations, and environmental, business, and citizens groups with precise and current information on the development status of local brownfields. By creating a network information system to link a variety of public agencies to the database, data on specific brownfields can be easily accessed. In addition to the informational value of these lists, they are extremely important components of other brownfields redevelopment projects. For example, the resulting store of information can be used by "brownfields brokers" to match potential investors with properties. On a broader level, a database can be connected to the Internet, offering information on local brownfields and related real estate development information such as land use restrictions, maps, and parcel index numbers.

For example, the City of Birmingham, Alabama, has used Economic Development Administration (EDA) and EPA funds to survey and evaluate local industrial sites.

Establishing Insurance Pools

Many brownfield sites would be viable development properties were it not for potential environmental complications. In the case of these properties, the only thing preventing private sector investment is environmental concerns and uncertainties. In order to appease these fears, cities such as Chicago have requested that their states create insurance pools to cover specific environmental related risks.

The proposed pool is analogous to flood insurance pools. Local government, sellers, buyers, and insurance companies would contribute through a surcharge on insurance premiums for general liability policies or other means. Another option is to collect transaction fees for properties that will benefit from the pool¹.

¹The City of Chicago. Brownfields Forum: Recycling Land for Chicago's Future, Final Report and Action Plan. November, 1995. pgs. 46-47.

Spotlight on: Emeryville's One-Stop Shop

The City of Emeryville, California has developed an interactive web site that is home to its one-stop shop application. Funded by an EPA Brownfield Assessment Pilot grant, the one-stop shop allows landowners, developers, residents, city staff, and other interested parties to access land use, zoning, property ownership, and environmental information on any parcel within city limits. The main goal of this innovative informational tool, for residents and developers, simplifies and speeds up the information gathering process.

The one-stop shop includes for all properties in Emeryville:

- A parcel base map of the city with Assessor Parcel Numbers (APN)
- Street addresses
- Assessed value of the property
- Land use/ zoning data
- Size of parcel
- Ownership information
- Well/soil boring data

The information is displayed in a user-friendly, geographic information system (GIS), web interface designed to be used by the general public. The GIS layers and database tables allow users to obtain information by searching the address, parcel number, or landowner of a particular property and to obtain environmental information in both map and tabular format for a radius that the user specifies around the selected property. Users are not intended to need any prior instructions in order to access information from the site.

For more information on Emeryville's One-Stop Shop, visit

<http://www.ci.emeryville.ca.us/business/onestopshop.html>

While these pools could only be used in certain areas and to diminish specific risks, they would help remove investor fears of undiscovered contamination. Such insurance pools could also be used to support investors should development objectives and land use plans change during the course of rehabilitating a property².

Creating Private Shared-Risk Lending Pools

Another idea from the Chicago Brownfields Forum was to create private shared-risk lending pools. These pools might be used to assist those properties that need some public support in order to become economically viable development opportunities. Private lenders could pool their money and share the risks associated with lending to remediation projects. The funds from

²The City of Chicago. Brownfields Forum: Recycling Land for Chicago's Future, Final Report and Action Plan. November, 1995. pg. 46.

these pools can help make brownfield redevelopment efforts viable economic enterprises, as they can be used to support interim development costs, predevelopment expenses, and provide subordinate bridge financing³. Such a pool could be financed as follows:

Community Reinvestment Act (CRA) investments might be a source of funding. Because banks are reluctant to accept contaminated property as collateral, the pool might make unsecured loans. The public sector's role would be to guarantee the principal amount. In exchange, municipalities should be involved in designing the pool, setting its objectives, selecting projects, and reviewing loan decisions⁴.

As of July 2002, the Chicago Brownfields Forum has decided not to pursue private shared-risk lending pools, but to focus instead on brownfields for which there is little perceived opportunity for private sector involvement (i.e. those whose cleanup costs may be several times the property value). However, this innovative idea is still an opportunity to promote redevelopment of brownfields where the private sector is a potential partner. ⁵

Fostering Public Private Partnerships

Developing strong public/private relationships can be essential to developing a successful brownfields plan. Both the state and local governments should be involved in fostering affiliations with area businesses. The object is to identify brownfields reuse opportunities that serve community, commercial, and social interests as well as meet public sector goals.

Alliances with local politicians can be particularly powerful, as these individuals carry a lot of authority and can be brownfields advocates in the public realm. Strong political representation is critical to getting public funding for restoration projects. This is illustrated by the important role that U.S. Representative Marty Meehan of Massachusetts played in obtaining funding for the Lawrence Gateway Project in Lawrence, Massachusetts. In specific, the congressman was able to procure a \$25,000 grant and \$500,000 in roadway enhancement funds⁶. It is not unusual for a brownfields project to be driven by the vision of a person tied into a local public/private partnership. These leaders are frequently the catalyst for private sector participation and funding support. They motivate involvement and keep brownfields projects afloat with their innovative ideas and dedication.

³Iannone, Donald T. *Sparkling Investment in Brownfield Sites*. Urban Land. June, 1996. Washington, D.C. The Urban Land Institute. pg. 43.

⁴The City of Chicago. Brownfields Forum: Recycling Land for Chicago's Future, Final Report and Action Plan. November, 1995. pg. 47.

⁵City of Chicago Department of the Environment

⁶Pepper, Edith M. Lessons From the Field. Washington, D.C. Northeast Midwest Institute. 1997. pg. 21.

Maintaining Records of Land Use Decisions

Each city should keep track of all brownfields that were restored according to risk-based standards and are not acceptable for residential use. The City/County Recorder of Deeds or Registrar of Titles should maintain documents to accompany the titles or deeds of such properties. These notices tell future land owners of existing contamination and land use restrictions. Such records are essential to the long-term integrity of any state risk-based corrective action program. When a state authorizes the redevelopment of a site that is not restored to pristine conditions, it should notify the appropriate local government agencies.

Working With Federal and State Agencies

Municipalities must be aware of federal and state environmental and redevelopment programs that can be used to rejuvenate brownfields. Local governments can inform local investors about these opportunities. By constantly reviewing sources of federal and state funding, cities can find innovative ways to restore contaminated sites. They should know how public dollars can be routed to include the restoration of brownfields. **Clearly then, cities should do more than just apply to programs specifically related to brownfields; they should find ways to attract federal and state dollars which can support activities related to brownfields cleanup and reuse.**

However, cities are also responsible for making sure that community cleanups follow state and federal regulations. This type of oversight helps to ensure that remediation will be done effectively, safely, and that all possible resources have been exhausted. The importance of coordinating and communicating with government agencies is exemplified in the following quote:

The redevelopment of a site in Louisville, Kentucky, was blocked by a lien that the U.S. Environmental Protection Agency held on the property as a result of remediation costs the agency had absorbed [eight] years earlier. After the city asked that the lien be released, EPA discovered that the statute of limitations had expired and forgave the lien⁷.

Organizing Voluntary Citizen Groups

Citizens can take an active role in the redevelopment process. Qualified citizens should organize a voluntary environmental consulting committee to help guide cleanups, select risk-based cleanup standards, and provide basic information to local land owners. Such groups can, for example, put together a sheet of information on risk-based corrective action for local use. It could detail how specific land use considerations in the community affect risk evaluation and cleanup options. Or, with the help of the Regional EPA office or state Department of

⁷Bartsch, Charlie; Collaton, Elizabeth; Fischer, William; and Kirshenberg, Seth. Brownfields Redevelopment: A Guidebook for Local Governments and Communities. Washington, D.C. International City/County Management Association. 1997. pg. 2-3.

Environmental Protection, create a brownfields redevelopment flowchart to guide interested parties through potential development and environmental regulations and processes.

Untrained citizens can participate by calling communities which have resolved their brownfields problems and learning from them. Learning from the mistakes and successes of others can be extremely helpful and requires a minimal amount of work. This information can be used to develop a list of recommended consultants, contacts, and resources.

Ensuring the Appropriate Appraisal

When some cities acquire land through condemnation, they must pay the owner for the value of the land and improvements. Often, however, appraisers and judges do not consider environmental contamination when determining property value. The result is that some cities overpay for brownfields obtained by condemnation. In order to avoid this, localities should make sure that their respective appraisal processes take environmental impairment into account. *The Brownfields Forum: Recycling Land for Chicago's Future* recommends three techniques for ensuring that appraisals consider the environmental condition of properties:

- Appraisal procedures and contracts can be revised.
- The city can be a clearinghouse for appraisers on transfers of contaminated land.
- Those appraisers with environmental experience can be prequalified to contract with the city on brownfields⁸.

If necessary, eminent domain statutes may have to be altered to ensure that judges consider the environmental condition of a site when valuing condemned properties.

Spotlight on: Bridgeport, Connecticut

Many of the suggestions described above have been played out in Bridgeport, Connecticut. Like many cities in the northeast part of the United States, Bridgeport has a long manufacturing history. Unfortunately, most of these companies have abandoned the city in favor of greener pastures in the suburbs. The result of this industrial evacuation is that Bridgeport now has several hundred acres of decaying, environmentally contaminated, forsaken land.

To help Bridgeport with its brownfields problem, EPA awarded the city several Brownfields Demonstration Pilot Grants (for information on grants, refer to Chapter V). The City of Bridgeport's resulting initiatives "promote safe and appropriate redevelopment of 'brownfields'

⁸The City of Chicago. Brownfields Forum: Recycling Land for Chicago's Future, Final Report and Action Plan. November, 1995. pg. 37.

by pulling together diverse individuals and groups and assembling a database of critical environmental and economic information”⁹.

Three features of Bridgeport’s brownfields project include:

- **CLEAN (Community Linkage for Environmental Action Now) Task Force.** This community oversight committee was designed to form a strategic approach to Bridgeport’s brownfields problems. Members of the task force included:
 - Educators.
 - Business leaders.
 - Potential investors.
 - Government officials.

In addition, as described below, the city hired a professional consulting team to inventory potentially contaminated properties, collect significant environmental and economic information on those sites, and formulate redevelopment strategies for some of those properties. The CLEAN task force was the intermediary between this professional effort and the city. The task force performed duties such as answering questions about the community that the consultants may have.
- **A Professional Consulting Team.** The professional consulting team hired by Bridgeport:
 - Used city and state databases and advice from the CLEAN Task Force to make a list of properties that need to be studied.
 - Created a database. This information system is based on environmental, economic, and planning data, and will utilize Windows and GIS technology. It aims to be easy to use, available to everyone, and highly interactive.
 - Determined what criteria should be used to prioritize properties and organize a community-wide cleanup plan.
 - Was responsible for deciding which brownfields in Bridgeport have the most redevelopment potential.
 - Was responsible for creating a property redevelopment strategy. The consulting team evaluated the cost of remediation and restoration and highlight potential sources of funding to meet those financial needs. Phase II assessments will be performed by the team at those sites deemed to have the most potential.

⁹Freimuth, Michael W. *City of Bridgeport Connecticut: Brownfields Economic Redevelopment Project*. Prepared for United States Environmental Protection Agency Brownfields Conference. September 3-5, 1997. Kansas City, Missouri.

¹⁰Ibid.

- **Investor’ Forum.** In order to improve the marketability of the database, Bridgeport held a number of Investor Forums. These information sessions displayed the findings and conclusions of the CLEAN Task Force and the consulting team. Local and regional real estate representatives and investors are expected to attend. They hoped this information would remove uncertainties surrounding area brownfields. In order to encourage more business and citizen participation in brownfields projects, the city presented several illustrations of successful redevelopment efforts to participants¹⁰.

Best Practices

Throughout this chapter, an emphasis has been placed on stakeholder identification and participation throughout the brownfield redevelopment process. How stakeholder expertise, skills, and resources are coordinated may very well define the effectiveness of a brownfield redevelopment program. The International City/County Management Association (ICMA) has identified **coordination as a key to successful brownfield redevelopment programs and projects**¹¹.

Internal and external coordination of various stakeholders is a task, most often, assumed by local governments. Internally, multiple local government departments need to be coordinated with the brownfield redevelopment program. Externally, state VCPs, federal agencies, private businesses, developers, and the community must be coordinated. Individual brownfield programs will vary in stakeholder composition due to differences in local conditions. But, in general, brownfield redevelopment requires the expertise of multiple disciplines: environmental, economic development, infrastructure, planning, finance, and community development - all which need coordination at the local level¹².

ICMA’s *Putting the Pieces Together - Local Government Coordination of Brownfield Redevelopment* identifies **eight coordination “best practices”** which local governments used to help make their brownfield projects and programs more efficient. The “best practice” list of coordination methods was obtained through research on EPA Brownfields Assessment Demonstration Pilot grant communities and Brownfields Showcase Communities.

¹¹Borak, David and Charles Meek. *Putting the Pieces Together: Local Government Coordination for Brownfield Redevelopment*. Superfund/ Brownfield Research Institute.

¹²Ibid.

Best Practices	Advantages/ Benefits
Brownfield Coordinator	<ul style="list-style-type: none"> • provides a clearly designated leader. • opens communication lines by ensuring that there will be a single point of contact for all brownfields stakeholders. • allows local government staff to concentrate their main efforts on administering other programs and services.
Team Approach	<ul style="list-style-type: none"> • fosters a commitment of human capital, public and private sector involvement, and consensus building. • helps project or program goals become more attained.
Private Consultants	<ul style="list-style-type: none"> • application of greater technical expertise. • increased community involvement. • enhanced brownfield planning. • improved brownfield project and program management.
Increased Communication	<ul style="list-style-type: none"> • quarterly meetings supplemented by smaller, more frequent, project specific meetings present opportunities for streamlining the redevelopment process. • weekly meetings are usually the only time representative of local and state government agencies interact with community groups and the private sector together. • e-mail and conference calls can be used to accommodate stakeholders on tight schedules. • more creative forms of communication such as Internet Web sites and television programs provide the capability to reach larger audiences.
Early Involvement of All Stakeholders	<ul style="list-style-type: none"> • ensures that project development has included all interests and all points of view. • groups do not become embittered and oppose the project because of a lack of information and involvement. • solutions to problems with the project can be better planned because new ideas and concerns can be brought up at the early planning stages by a variety of interests.
Educating Local Government Departments	<ul style="list-style-type: none"> • a combination of presentations, brownfields literature, and information gathering is an effective way to educated local government employees about the concept of brownfield redevelopment. • Presentations and workshops by state and federal government agencies strengthen the brownfield education process.
Community Outreach	<ul style="list-style-type: none"> • Increases the community's understanding of brownfield redevelopment. • Removes anxiety associated with environmental contamination and liability. • Creates an environment where local residents can play a meaningful role in structuring the vision of their community.

	<ul style="list-style-type: none"> • Ensures that environmental justice goals are met.
Environmental Database	<ul style="list-style-type: none"> • Centralizes brownfield site information • Makes information about brownfield sites easier to disseminate to developers and local, state, and federal government agencies. • Organizes and updates information on land use, zoning, cleanup standards, prior landowners, and other topics so that local governments can expedite site assessments, remediation, and redevelopment.

For more information on the study, visit ICMA’s website at <http://www.icma.org>.

F. Conclusion

This chapter has been designed to provide information on potential local participants in the brownfields redevelopment process, how to incorporate the opinions of these different groups into the plan, and a variety of local brownfield strategies. It is clear that ensuring community-wide participation in redevelopment planning is essential to the long-term success of any restoration project. The following chapter will elaborate on this and other important components of creating a sustainable approach to the reuse of brownfields.