



Brownfields Redevelopment

Key Points:

- ➔ *According to the U.S. Conference of Mayors, there are more than 24,987 brownfields. If these were redeveloped, cities estimated, they could create 575,000 new jobs and bring in an extra \$1.9 billion in tax revenue.*
- ➔ *Brownfields reuse can increase the local tax base, create jobs, revitalize neighborhoods, and extend environmental protection.*
- ➔ *In recent polling, 68 percent of voters nationwide indicated that cleaning up and redeveloping contaminated areas was “very important” for government spending of tax dollars, while an additional 27 percent found it to be “somewhat important.”*
- ➔ *82 percent of voters agree with the statement, “Federal, state and local governments should focus on revitalizing existing communities as a top priority, instead of extending public services to new communities that have not yet been built.”*

Brownfields Redevelopment

AIA Position

The AIA supports state legislative efforts to improve incentives for redeveloping brownfields as a way to turn once contaminated and unproductive properties into economically viable sites that attract economic and community development. Funding support from state and local government can encourage businesses to redevelop industrial areas, revitalize communities and create local jobs. Across the nation, brownfields have been redeveloped into stadiums and arenas, parks, industrial centers, office buildings, affordable housing and mixed-use residential and commercial developments. Brownfield development also lessens demand to develop green spaces and relieves urban sprawl.

Action Sought

Remove liability impediments and provide new financial incentives for redevelopment of brownfields in areas with existing infrastructure and public services.

Explanation and Justification

A brownfield is an abandoned, vacant or underutilized area — often a former industrial site — in which property redevelopment or reuse is complicated by a perceived environmental contamination. Although local, state and federal governments have been encouraging cleanup and redevelopment of these sites, fear of liability entanglements and lack of adequate funding still hinder development.

Recognizing this need, a number of states have passed measures to limit liability for developers and municipalities as well as provide financial incentives for redevelopment. Encouraging redevelopment is an increasingly important issue as state and local governments look to these sites to spur economic development and promote smart growth. Brownfields reuse can increase the local tax base, create jobs, revitalize neighborhoods, and extend environmental protection for all citizens. Innovative financing techniques include grants, loans, and tax credits from state government agencies or tax increment financing (bonds or special tax assessments) from local governments. Tax increment financing is widely used by local governments to fund redevelopment projects with the increased property or sales tax revenue generated by the revitalization.

According to the National Brownfields Association, 49 states have voluntary cleanup programs in place. Successful programs include:

Pennsylvania has a land recycling program that has cleaned 769 sites since 1995, creating over 20,000 jobs. The state has set up a fund that provides either grants or low-interest loans, which can cover up to 75 percent of the cost of an environmental study and initiating a cleanup plan.

Massachusetts established a redevelopment fund to provide \$30 million in low-interest loans to private parties and local governments.

Florida provides tax incentives and allows businesses located on designated brownfields to tap into 30 percent of the Quick Response Training program for their employees. According to the EPA, such programs have created more than 3,200 direct jobs and 2,100 indirect jobs plus new investments totaling \$172 million.