



Brownfields Briefs

Cleaning Up Brownfields through Community Land Trusts

by
Robert Hersh
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Many brownfield sites are clustered in poor neighborhoods. In such communities it is not uncommon to find boarded up shop fronts and empty buildings, where businesses once operated. The signs of disinvestment can also extend to housing, leaving neighborhoods with a glut of abandoned houses and vacant lots. Few if any of these sites individually can yield the returns necessary to attract private or public investment. But more pernicious perhaps are the broader off-site impacts of these brownfields clusters—reduced property values for adjacent and nearby properties, the perception of contamination, and fears of liability—which can overwhelm efforts by community groups to revitalize neighborhoods.

Against these odds community residents and local groups are trying to find ways through collective action to clean up and redevelop brownfields. Over the past few years, at CPEO's regional workshops in Jersey City, Los Angeles, Philadelphia, Houma, and Worcester, community participants have repeatedly stated that they want to initiate, influence, and, in some cases, act as developers for brownfields projects in their neighborhoods.

For neighborhood groups addressing brownfield clusters is a complex undertaking. The properties are often a mixed bag; they can range from those in public hands acquired through tax delinquency to privately held properties subject to substantial tax lien. They may also include parcels where owners, concerned about liability for any cleanup, have chosen to mothball their properties to avoid regulatory scrutiny. Perhaps even more daunting are the institutional demands a community-based organization faces when it attempts to broaden its mission and rebuild blighted neighborhoods. These include:

- Overcoming limited political power that translates into limited claims for public financing for site assessment, acquisition or cleanup.
- Dealing with a lack of information about site conditions and possible contamination, making it more difficult to prioritize parcels for cleanup and redevelopment.
- Developing the organizational capacity to revitalize brownfields clusters while maintaining connection to the community over time.
- Staying accountable to local residents while accruing power to have an impact on community development.
- Competing with private sector developers for properties that are of interest to community residents.

This CPEO brownfields brief discusses how community land trusts (CLTs) have addressed the challenges and, more specifically, how they have been used as a vehicle to revitalize brownfields.

What is a Community Land Trust?

A community land trust (CLT) is an independent, nonprofit organization formed to acquire and hold land for the benefit of people who live in the local community. CLTs operate at different scales. Some work within a single neighborhood to spur comprehensive redevelopment; others focus their efforts more on assembling and leasing land to preserve housing affordability across a city or metropolitan region. Regardless of the scope of their activities, CLTs have a similar mission: a) to maintain the affordability of housing for local residents over the long term; b) to preserve the value of public investment for community benefit; and c) to build a strong platform for community action by helping low-income people stabilize their lives and build equity in the community.

While housing is the most common use of CLT land—the roughly 160 CLTs in the country have built and oversee more than 5,000 unit of housing—the CLT model can be applied to brownfields. The Sawmill Community Land Trust of Albuquerque, New Mexico, formed to protect local residents from gentrification pressures, worked with the city to take title to 27 acres of contaminated and blighted property close to the city center. This comprehensive revitalization effort includes housing, a park, plaza, community center, offices, retail space, manufacturing, senior apartments, and live/work spaces for home businesses. The Dudley Street Neighborhood Initiative in Boston received eminent domain power from the city to acquire a number of vacant parcels and buildings, and over the past decade it has developed both affordable housing and commercial enterprises on former brownfields. And, as we describe in more detail below, the Burlington Community Land Trust (BCLT) in Vermont, the largest CLT in the country, has been able to redevelop brownfields parcels in the city as part of an area-wide community development initiative.

Area-wide brownfield redevelopment in Burlington, Vermont

The Burlington Community Land Trust (BCLT) has been able to stay accountable to local residents and clean up and transform contaminated properties in its target neighborhood, the Old North End of Burlington. In the two decades since its inception, the BCLT has built some 500 units of affordable housing, two small urban parks, and facilities for a variety of community organizations such as a neighborhood food pantry, a legal aid office, and a technology center, and many of these facilities were built on brownfields.

According to BCLT's executive director Brenda Torpy:



Brenda Torpy

It's our job to develop the properties that nobody else wants. That's community development. When you come from a small, grassroots place you have to be willing to believe that you can have some power on behalf of the people you serve. For some of the brownfields sites in our neighborhood the cleanup costs rose so much some of our lenders said we're not going to fund it. I said what do you expect is going to happen on this block if this brownfields stays here... if you're going to try to fix this neighborhood you can't leave any of these brownfields out there.

The BCLT, like other community land trusts, typically acts as a mediating institution in its target neighborhoods. As an owner of property the BCLT acquires land to hold it in trust for neighborhood residents; as a brownfield developer it can act as a bridge to help communities, private investors, and the public sector negotiate new relationships about property and ownership.

The BCLT, as a nonprofit, membership-based organization, acquires and holds land for the benefit of people who live in the local community. The land trust model is premised on a radically different concept of property ownership, one which treats land and buildings differently. In an affordable housing project, the BCLT acquires the land and holds permanent title to it, while the homebuyer purchases only the house. When homeowners decide to move out of their house, they receive 25% of any increased equity. The other 75% goes to the CLT, which uses this share to help subsidize the down-payment for a new round of low-income homebuyers or for other community uses. The CLT model tries to find a balance between individual and community benefits. The rationale for equity sharing is to prevent the privatization or removal of public subsidies, such as land donation or public investment, and to ensure that these resources are preserved for community benefit.

The BCLT also acquires and renovates commercial property. In these instances any buildings located on BCLT land or later built by the land trust are typically rented to non-profits at below market rates specified for unusually long terms. As the photograph below shows, the BCLT has been very active in brownfields redevelopment in the Old North End.



Courtesy of Nick Warner, City of Burlington, Brownfields Coordinator

Of the four projects the BCLT has undertaken (see above), the Vermont Transit Bus Barns redevelopment is the most ambitious. For more than a hundred years, the Bus Barns site, a three acre property located at the gateway to Burlington's Old North End, had been a bus repair and maintenance facility. The owner of the site, Vermont Transit, wanted to move operations and was looking for a buyer. The site, however, was contaminated with petroleum hydrocarbons and solvents from years of routine bus maintenance activities. The BCLT knew the site was likely to be contaminated, but it also recognized the importance of the site to the revitalization of the entire neighborhood. It actively sought the property as a way to invest in the poorest neighborhood in the city. The BCLT aggressively moved on the site and negotiated a purchase and sale contract with Vermont Transit. With funding from the city of Burlington, the Vermont Housing and Conservation Board, and low income housing and historic tax credits, the BCLT was able to acquire the site. To take on the complexity of the task and to shield itself from some of the risk associated with the cleanup and redevelopment of the site, the BCLT partnered with the city of Burlington as co-developer, and it created a limited partnership with Vermont Housing to control the property.



Bus Barns garage before



Bus Barns site after

The site contained two historic brick barns and one large steel frame garage. The BCLT demolished the garage and constructed 15 new housing units. It converted one historic barn on the property into an additional 10 units of affordable housing. The second barn was developed for commercial uses. It includes a laundromat and a garage that repairs donated cars and sells them at below market rates to low income buyers.

For a community organization the Bus Barns brownfields project was a tremendous achievement. What lessons does it hold for other community groups?

First, the BCLT worked closely with the city of Burlington's Office of Community and Economic Development to obtain funding for initial site assessments that could help the land trust get a better handle on the extent and severity of contamination and likely cleanup costs. According to Brian Pine, assistant director of housing in Burlington:

One of the biggest barriers to brownfields redevelopment is not having money to do site assessments. Nobody wants to risk money upfront for a site that might never be developed.... The city's way is to partner with the BCLT and to provide that initial risk capital. The hardest money to get into projects is the assessment money, the predevelopment money to hire the architect and engineer. That's the money we provide. We're a little piece of the whole pie, but we're in so early, we enable the rest of the pie to be made.

Second, as a membership organization the BCLT mobilized its 2,500 members as source of activism and as means to help rewrite the state's brownfield laws. The BCLT was instrumental in helping to establish Vermont's Redevelopment of Contaminated Properties Program. Under the revised laws, as long as the BCLT or any prospective purchaser conducts a site assessment and cleanup of a brownfield in compliance with a state approved work plan, it will receive liability protection for any future costs associated with the discovery of additional contamination or changes in regulatory standards. Through political lobbying and the legislative process, the BCLT was able to change the state's environmental cleanup statutes and, in essence, draw a box around future liability at contaminated sites. Without this statutory change it is unlikely that the BCLT could have redeveloped any brownfields site in the Burlington.

And finally, through its community organizing and grassroots development, the BCLT has been able to balance the need to get brownfield deals done while remaining accountable to its membership. As Brenda Torpy put it, "the real strength of a community land trust is having a board that includes residents of your homes and general members. And so what our members have accomplished around the state is to build big constituencies in support of affordable housing and community development."

CENTER FOR PUBLIC ENVIRONMENTAL OVERSIGHT
c/o PSC, 278-A Hope Street, Mountain View, CA 94041
Voice: 650-961-8918 or 650-969-1545 Fax: 650-961-8918
cpeo@cpeo.org <http://www.cpeo.org>