



Anti-Displacement in Brownfields

**How to Support and Uplift Current
Residents & Small Businesses in
Communities with Brownfields
Redevelopment Projects**



Anti-Displacement in Brownfields

When brownfields are redeveloped, land value and cost-of-living may increase in the surrounding community. Brownfields redevelopment projects and gentrification are often interconnected, but these processes don't have to and shouldn't lead to displacement. The rights of existing residents and businesses must be honored and protected. No one should ever be forced from their homes or their neighborhoods, especially because of new infrastructure and lack of affordability.

Brownfields Redevelopment: cleaning up abandoned, potentially contaminated sites and using the area for recreational green space, new buildings, facilities, or other services that a community might need.

Gentrification: neighborhoods changing when places of low real estate value are redeveloped, transformed, or “revitalized” into places of high real estate value (gentrification often attracts new businesses and new residents)

Displacement: the forced relocation of existing residents and businesses (often linked to gentrification)



Anti-Displacement Strategies: Brownfields Redevelopment

Community Benefits Agreement — a contract between community members (or a community organization representing the needs of community members) and a private developer. This contract outlines community needs, desired outcomes and benefits, and how funding will be used both during construction and after the development project is completed.

Community Land Trust — when a nonprofit purchases housing or land specifically to rent or sell the units to local residents at an affordable price, ensuring long-term, sustainable housing.

Inclusionary Zoning — a local policy within a community's local zoning regulations that requires a certain number of affordable housing units to be set aside for people and families under the average median income.

Small Business Preservation Programs — programs intended to support small businesses through funding, workforce development, or other assistance.

Tax Abatement — financial programs and tax reductions designed to help residents and small businesses stay in their neighborhoods.



ANTI-DISPLACEMENT QUESTIONS



**What effects would displacement have on your community?
If your town or city has already experienced gentrification
or displacement, what does that look and feel like for
different residents of your community?**

**How can you support and uplift culture, creativity, and
sustainability in your community?**

**What are some policies and decision-making strategies that
can be implemented to help prevent displacement and
protect the residents and small businesses of your
community?**

COMMUNITY BENEFITS AGREEMENTS

A Community Benefits Agreement (CBA) is a contract between community members (or a community organization representing the needs of community members) and a private developer. This contract outlines community needs, desired outcomes and benefits, and how funding will be used both during the redevelopment process as well as after the project is completed. The CBA includes the community's input in the planning process of the developer, and community members are often represented by local organizations or legal professionals. Community Benefits Agreements are most powerful in communities where there is a strong network of residents, neighborhoods, or organizations with shared vision, goals, and understanding of need.



photo citation: https://www.ioby.org/blog/wp-content/uploads/2017/11/Jazzymae_Columbus_wedding_photography_1185of330-1024x683.jpg

IMPLEMENTING COMMUNITY BENEFITS AGREEMENTS

Implemented by: partnership between community members, city government, and private developers

Problem addressed: certain populations and community members not benefitting from redevelopment projects

Goal: create accountability for redevelopment project and prioritize community needs

Tips for Success:

- The CBA is most effective when very specific priorities are outlined: guaranteed jobs for residents, funding for certain social services or community centers, the implementation of workforce or housing programs, or anything your community needs the most
- The CBA must be clear and firm in addressing the importance of anti-displacement and the rights of residents and small businesses

The CBA process can be challenging because of the significant time commitment and associated costs, but it is an impactful tool for building power and seeing real, tangible change within communities.

COMMUNITY BENEFITS AGREEMENTS: Planning Questions

What are the established priorities and needs of the community to be addressed in the CBA?

How will the CBA specifically support disadvantaged and historically underserved residents?

How will the community be engaged during the creation of the CBA?

Will community engagement meetings be held at a convenient time and place, with resources like childcare, meals, and transportation provided?

Does the community have an established organization to oversee the CBA after the development project is completed to ensure its effectiveness and that residents' needs are being fulfilled?

COMMUNITY LAND TRUSTS

Community Land Trusts (CLTs) are designed to sustain long-term, affordable housing. CLTs most commonly refer to non-profit organizations purchasing parcels of land throughout the community, arrange for homes to be built on the land, and then lease the homes to local residents. CLTs legally separate ownership of the homes from ownership of the land, making prices much more affordable and creating opportunities for low-income families to own homes. CLTs can give communities long-term control over their land and their neighborhoods, as well as help build generational wealth by allowing residents to pass homeownership rights to their children. CLTs are best for communities that have a non-profit organization with the financial and organizational capacity to take on a project like this. With the right key players and lots of planning, brownfields can be cleaned and redeveloped into affordable, sustainable homes for community members.

CLTs are best for communities that have a non-profit organization with the financial and organizational capacity to take on a project like this. With the right key players and lots of planning, brownfields can be cleaned and redeveloped into affordable, sustainable homes for community members.

IMPLEMENTING COMMUNITY LAND TRUSTS

Implemented by: local non-profit organization

Problem addressed: rising housing costs and disparities in home ownership

Goal: maintain housing affordability and build long-term wealth within communities

TIPS FOR SUCCESS:

- CLTs can receive funding from town, state, and federal grants and subsidies. Private institutions and philanthropic organizations have also been known to donate to CLTs.
- CLTs need diverse representation from residents, local government, and community organizations to be the most successful.
- CLTs require a lot of structure and organization, so having a membership board to handle finances and keep all transactions and meetings in writing is helpful.

Funding sources can be a challenge for CLTs, especially when state and federal grants are often changing due to political shifts. To promote financial stability, members of CLTs should invest in diverse, sustainable funding sources.



COMMUNITY LAND TRUSTS:

Planning Questions

Which active community organizations in your community represent and support residents who could benefit from a CLT?

Could a CLT be established in advance of widespread market change or increase in real estate value throughout your community?

What sites might be available for purchase in your community, and what funding sources could facilitate this?

Does your community or region have any existing CLTs that can be replicated or used as a model?

INCLUSIONARY ZONING

Inclusionary Zoning (IZ) refers to regulations within a community's local zoning regulations that require a certain number of units within a housing development to be set aside for people and families under the average median income. Inclusionary Zoning can help communities create long-term, sustainable, affordable housing options and prevent displacement. IZ programs have had great success throughout the United States, with 93% of these programs requiring affordable units to stay affordable for 30+ years.

To determine if Inclusionary Zoning could be a good fit for your community, review your pre-existing zoning regulations to see if any similar affordable housing regulations already exist. If no regulations exist, connecting with community organizations and housing advocates is a good first step to engaging with local government and establishing an IZ program. Community engagement from businesses, organizations, schools, churches, and residents is crucial when trying to implement a new policy or program within your local government.

IMPLEMENTING INCLUSIONARY ZONING

Implemented by: local government (specifically land use/zoning boards or local housing department)

Problem addressed: rising real estate, housing, and rent costs

Goal: create sustainable and affordable housing for people with all incomes

Tips for Success:

- Because of the competitive real estate market and developers wanting to maximize profits, some development agencies oppose IZ programs. It is recommended to establish IZ in partnership with incentives that encourage development: density bonuses, fee waivers, expedited permit processes, or parking reductions
- IZ programs cannot tackle displacement on their own - pairing them with other financial strategies to protect affordable housing is most effective (for example: housing trust funds created by local governments)
- Land-use policies have a deep-rooted history with racism, segregation, and red-lining. It is important to acknowledge this history in the development of IZ programs and commit to housing justice for Black and Brown communities.

INCLUSIONARY ZONING:

Planning Questions

How do my community's zoning regulations encourage or support affordable housing?

What barriers in my community currently exist that hinder community engagement in the housing and planning processes?

Once an inclusionary zoning program is approved and adopted, what is the process to obtain an affordable unit?

How can we maximize the impact of the IZ program without deterring the private sector and housing development in the future?

SMALL BUSINESSES PRESERVATION PROGRAMS

Small Business Preservation Programs have one central goal: to protect and support the small businesses of any given community. These programs specialize in capacity-building services, like loan funds, technical assistance, or training courses. The intention is to help small business owners gain the skills, knowledge, and funding they need to maintain and grow their business.

Small businesses owned by women, people of color, and LGBT+ communities are especially vulnerable to economic instability and displacement. Business preservation programs require strategic funding strategies and for “target areas” or “prioritization areas” of the community to be identified. These areas might be low-income neighborhoods, Black or Brown neighborhoods, or any areas with brownfields sites / redevelopment plans. Open communication with small business owners is the key to success for small business preservation programs.

Small business preservation programs are most impactful in towns and cities where there is a network of small businesses, especially ones that have strong roots in their communities. To learn more about the small business initiatives in your community, economic development agencies can reach out directly and ask small business owners about the best ways to support them. Utilizing community-based organizations, getting in contact with local government, and building trust between these entities, small businesses, and residents is a great way to get started.



IMPLEMENTING SMALL BUSINESS PRESERVATION PROGRAMS

Implemented by: local government, economic development department, or small business office

Problem addressed: the displacement and closure of small businesses

Goal: build financial capacity for small businesses

Tips for Success

- Services offered by business preservation programs include:
- Loan funds (financial support) issued by banks, state programs, or the U.S. Small Business Administration - loans given by the U.S. Small Business Administration average at \$13,000, but can go up to \$5 million depending on the capacity and level of need.
- Technical assistance refers to community organizations or local government offering financial, legal, or accounting services, as well as tax services, loan applications, and budget planning. Relationship building is key for success between technical assistance providers and small business owners - providers must have respect, appreciation, and a willingness to learn about the communities they work with
- Training options for small business owners can include entrepreneurial, financial literacy, and business development. Local organizations and government entities would also provide this training, so be on the lookout for opportunities within your community!



INCLUSIONARY ZONING:

Planning Questions

Are small businesses in your community beginning to experience higher monthly costs on account of anticipated brownfields redevelopment?

What concerns have small business owners shared regarding their ability to stay in business?

Does your community have a small business communication network for the announcements and notifications of funding availability?

How will your community measure the success and effectiveness of small business preservation programs and support services?



TAX ABATEMENT



Tax abatement programs lower taxes for developers and homebuyers, with a heavy focus on homebuyers who identify as working class or low-income. Tax abatements are especially helpful and utilized in areas where property taxes and real estate values are increasing.

For long-term residents in communities with brownfields redevelopment projects and other revitalization initiatives, increased property taxes, rents, and cost-of-living may make it difficult to stay in their homes. To qualify for tax abatement, residents must meet a certain income threshold - this threshold is determined by the town, city, or county administering the tax abatement program.

Tax abatement policies look different in each community, and determining if they would be a good fit in yours requires communication with the local community development and housing offices. Look at trends and data on home values, property costs, and patterns on displacement and gentrification. Financial and staffing capacity is important to consider before taking on a tax abatement program, as well as having knowledge of your community and its areas or populations that need the most support.



IMPLEMENTING TAX ABATEMENT

Implemented by: local office of community development or economic development

Problem addressed: increasing real estate values and property taxes

Goal: maintain housing affordability for current residents

Tips for Success:

- Tax abatement programs can be very successful in partnership with efforts for energy efficiency and reducing the impacts of climate change
- Some cities across the U.S. have included tax abatements into larger, community-wide programs for reinvestment and equitable development. Displacement is a complicated issue with lots of moving parts, and protecting the rights of residents and small businesses requires strategic planning, partnerships, and power-building
- Tax abatement programs must be consistently revisited and changed as the economy and market prices shift over time
- Tax abatement programs can be introduced however works best for your community and specifically address wherever there is most need. Some communities have focused tax abatements on first-time homebuyers, veterans, senior citizens, and other vulnerable groups. Knowledge on your community and who currently needs the most support is key here.



TAX ABATEMENT: **Planning Questions**

How has neighborhood change impacted the monthly costs for long-term residents in your community?

How can the community be engaged to collect information about the potential impacts of tax abatement?

Are there community or regional organizations that track information about tax burden, increased taxes due to improvements, or other relevant information? Do these groups consider minimizing displacement as a primary goal?

What resources or communication channels does your government or economic agency use to raise awareness about accessing and utilizing tax abatement programs?



TAX ABATEMENT: **Case Study**