

# Brownfield Development: An Opportunity for Affordable Housing

BY SUZI RUHL AND MARY YEARGAN

**T**he Brownfields Redevelopment Program empowers communities, local governments and other stakeholders in economic development to work together to prevent, assess, clean up and reuse Brownfields. A Brownfield site is property which may be complicated by actual or perceived environmental contamination during the expansion, redevelopment or reuse of the property. The reuse of property is an important component of sound land use policy. Productive reuse of urban land helps prevent the premature development of farmland, open space and natural areas, and reduces the public cost for installing new water, sewer and highway infrastructure. The redevelopment of Brownfield sites continues to gain momentum in Florida and across the nation.

## FINANCIAL INCENTIVES

The state financial incentives to develop Brownfield sites include the Loan Guarantee Program (up to 75 percent of loan through the Governor's Office of Tourism Trade and Economic Development for affordable housing), the Redevelopment Bonus Refund for job creation (up to \$2,500 per job through Enterprise Florida), the Sales and Use Tax Exemption on building materials for affordable housing (through the Florida Department of Revenue), and the Voluntary Cleanup Tax Credit Program (up to 75 percent of cleanup costs to a maximum of \$500,000/year for affordable housing, with an additional 25 percent available for the year when the project receives a "No Further Action" through the Florida Department of Environmental Protection). There is also FDEP funding available for site specific activities related to Phase I/II assessments and



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*A Brownfields designation can provide liability protection for the owner, developer, and lenders who have only a fiduciary interest in the property, and for governments, charities and non-profits.*

source removals (up to \$400,000/site). The loan guarantee and the voluntary cleanup tax credit programs both have increased benefits for affordable housing. Additionally, other incentives can be leveraged through the Brownfields program, such as TIF, DOT, EDA, EDI, and CDBG.

There are also federal grant programs for assessment and cleanup through the US Environmental Protection Agency. An example of an affordable housing project utilizing both the state and federal Brownfield incentives is in the Dansville community of Pinellas County. The total Brownfield funding for the project is estimated to be as much as \$1.6 million. This project and others, such as the Westshore Alliance CWHIP project, will provide case studies for a panel of experts to explain the benefits and challenges of using Brownfield sites for Affordable Housing at the Florida Housing Coalition Statewide Affordable Housing Conference workshop on September 16<sup>th</sup> in Orlando.

For additional information visit the following websites:  
Florida Dept of Environmental Protection  
([www.dep.state.fl.us/mainpage/programs/brownfields.htm](http://www.dep.state.fl.us/mainpage/programs/brownfields.htm))

US EPA

([www.epa.gov/brownfields/index.html](http://www.epa.gov/brownfields/index.html))

Florida Brownfields Association

([www.floridabrownfields.org](http://www.floridabrownfields.org))



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