

CCLR's Brownfield Loan Program: Rolling up our Sleeves



Nonprofit housing developer, Citizens Housing Corporation, recently broke ground on an affordable mixed use project in San Francisco. Citizens used our loan to investigate a property in San Francisco's Mission District neighborhood that was most recently used as a truck re-fueling facility but had been the site of a former metal foundry. This vibrant neighborhood is predominantly working-class and historically populated by immigrants from Mexico and Central America.

In keeping with the diverse mix of uses in this neighborhood, Citizens is developing a mixed-use project that will include affordable family and senior rental units, for-sale family units, and commercial spaces for light industry and retail. When completed, the 151 units will provide low-income San Franciscans with much needed rental units at prices they can afford, offer home-ownership opportunities to first-time home-buyers, and make available light industrial space for small neighborhood enterprises.

CCLR's innovative loan program provides low-interest, forgivable loans of up to \$500,000 for brownfield site assessment and characterization, technical assistance, and remedial action planning. Eligible projects include sites with potential beneficial reuse not currently redeveloped due to lack of information about

>> [Loans](#)

"Funding from CCLR's forgivable loan program allowed Citizens Housing to acquire the site quickly, mitigate the environmental issues in a timely way, and move forward with this major mixed-use project."

— James M. Buckley
President, Citizens Housing

Loan Terms

- Maximum loan amount of \$300,000 per project or \$500,000 for infill residential
- Minimum 15% cash match based on the loan amount
- Processing fee is 2% of loan amount
- Maximum loan term is 36 months
- Interest rate is 6-month LIBOR, currently around 3.0%
- No interest payments required during the term of the loan
- Loan may be forgiven if the borrower, acting in good faith, fails to complete the project or proceed with development

For more information on how to apply for a loan, please contact us at 415.398.1080 or visit our website at www.cclr.org.



Stephanie Shakofsky

Letter from the Executive Director

In our work we witness the devastating effects brownfield sites can have on the community spirit every day. These sites are abandoned because of liability risks, cleanup cost uncertainty, complicated and confusing regulatory requirements, financing availability difficulties, and the lure of agricultural and open land for new development. These legal, regulatory and financial roadblocks are bad for everyone, but they are particularly hurtful to low-income communities where these sites are often found in abundance. The failure to redevelop brownfields translates into potentially more exposure to toxics and the loss of economic and housing benefits that can come from appropriate redevelopment. CCLR's programs assist communities redeveloping brownfields by providing funding, technical support, and training at critical junctures in the project's development. In this special report we highlight a few of the projects CCLR has helped.

Center for Creative Land Recycling

(CCLR or "see clear") repairs fractured communities and discourages urban sprawl through creative public, private, and nonprofit partnerships. We help those who have the biggest stake in revitalizing their neighborhoods, including community development corporations, affordable housing developers, redevelopment agencies, and local governments. Our work is accomplished through training, technical assistance, and small grants and loans for communities attempting to turn around vacant or environmentally distressed properties.

CCLR GRANTEES: Reducing Poverty & Injustice



Before

There is little that is more rewarding or hopeful than watching a community work together to create new homes, businesses, and parks in formerly blighted areas. The achievements and the hope they create do not end at the neighborhood boundary but affect all Californians, whose quality of life they help improve and protect.

Through our Project Learning Program (PLP), CCLR assists nonprofits, municipalities, and community organizations in tackling brownfield redevelopment projects. Each year, CCLR awards several PLP grants to communities and organizations, providing them with the financial and technical assistance necessary to address brownfield-related issues such as: contamination and remediation, economic feasibility, regulatory facilitation, financing, and community-based decision making. Once awarded funding, grantees often retain outside consultants to assist with community-consensus building, economic feasibility studies, site reuse planning, and site design.

CCLR is pleased to announce that Project Learning Program (PLP) grantee East Bay Habitat for Humanity broke ground on 10800 Edes Avenue in Oakland. Redevelopment of this former auto salvage yard began with construction of six of 26 intended single-family homes, the remainder to be completed by December 2008. Welcomed by the community, Habitat's project has revitalized this neighborhood eyesore into affordable, sustainable housing. In 2001, CCLR provided Habitat with funds for site assessment and with technical assistance for the property acquisition and cleanup phase of the project. CCLR's support gave them the confidence necessary to take on redevelopment, and in 2002 they purchased the land. With additional funds from contributions and



After

loans by individuals, foundations, and financial institutions, Habitat successfully completed their cleanup plan, which included the removal of 3,000 tons of soil contaminated by lead, hydrocarbons, and petroleum. •

- Loans continued

real or perceived contamination, uncertainty about clean-up costs, or concerns regarding timeframes and the regulatory process. Priority is given to projects that have community support and are located in economically distressed neighborhoods, but all potential brownfield projects are considered.

This program grew out of CCLR's work in underserved communities and the realization that non-profit developers and municipalities were often unable or unwilling to allocate scarce resources to a property assessment for the sole purpose of identifying if the project was even potentially feasible. The loan may be forgiven if the borrower, acting in good faith, fails to complete the project or proceed with development, allowing the potential purchaser a risk-free look at the property. •

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CCLR Announces Appointment of New Board Members



Kofi Bonner, President of Urban Land Division, Lennar. Kofi is renowned for his aggressive role in redeveloping Emeryville as the City's Redevelopment Director in the 1980s. He also served as the head of economic development and interim City Manager in Oakland before becoming an economic adviser to San Francisco Mayor Willie Brown. Kofi brings vast experience in community revitalization and brownfield redevelopment from both the public and private sectors.



Deborah Schmall, Partner, Paul, Hastings, Janofsky and Walker, LLP. Deborah is a partner in the firm's Environmental Law Department and has practiced environmental law exclusively for 23 years. While a Trial Attorney for the U.S. Justice Department's Environmental Enforcement Section, she was the lead Justice Department lawyer on CERCLA, RCRA, Clean Water Act and air enforcement actions initiated by the U.S. EPA. Deborah was recognized as one of the leading environmental attorneys in California in the *The Best Lawyers in America* (2007).