

CCLR's Brownfield Loan Program: Rolling Up Our Sleeves



Stephanie Shakofsky

Letter from the Executive Director

In our work we witness the devastating effects brownfield sites can have on the community spirit. 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.



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 \$125,000 for brownfield site assessment and characterization, technical assistance, and remedial action planning. Eligible projects include sites with potential beneficial reuse not >> [Loans](#)

"Funding from CCLR's forgivable loan program allowed us 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 Corporation

Loan Terms

- Maximum loan amount of \$125,000 per site
- 15% cash match based on the loan amount
- Processing Fee: 2% of loan amount
- Maximum loan term is 36 months
- 4.65% interest rate for 2007
- 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.

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.

We are pleased to announce the completion of the Court Street Apartments. CCLR grantee W.O.R.K.S., an affordable housing developer based in Los Angeles, was interested in developing a vacant parcel in the Temple-Beaudry neighborhood of Los Angeles. The site is located in an area where naturally occurring oil fields are close to the surface, creating high levels of methane gas in the soil. The community had lingering health and safety concerns about the development because of the recent controversy over the Belmont Learning Center (a school site in the neighborhood where concerns over the methane levels in soil kept the school from opening).

CCLR provided funds and technical assistance for a Phase II Site Assessment, a risk management plan, and made certain that the nonprofit hired a qualified and experienced environmental consultant.



After

The project will not only bring 26 units of much needed housing to very low-income families, but will provide free support services to residents including after-school tutoring, crisis intervention, and computer training. •

- Loans continued

currently redeveloped due to lack of information about real or perceived contamination, uncertainty about clean up costs, or concerns regarding time-frames 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 nonprofit 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 the Appointment of New Members to its Board of Directors



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 for the city of 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, Farella Braun + Martel. 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 lawyer on CERCLA, RCRA, Clean Water Act, and air enforcement actions initiated by the U.S. EPA. Deborah has one of the largest brownfield practices in California and was recognized as one of the leading environmental attorneys in California in *The Best Lawyers in America* (2007). •