

# A. Glossary and Acronyms of Brownfields and Economic Development Practices

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**Acquisition:** The process of acquiring real property (real estate) or some interest therein.

**Agency:** A government organization (Federal, State, or local), a non-government organization (such as a utility company), or a private person using Federal financial assistance for a program or project that acquires real property or displaces a person.

**Appraisal:** A valuation of property by the estimate of an authorized person for real estate or other property. A person performing an appraisal must receive authorization from the appropriate body of the state in which they reside. Real estate appraisals take into account the quality of the property, values of surrounding properties, and market conditions in the area. Valuations assist in determining the property taxes for which the owner is liable, as well as a potential sale price, if the owner wishes to sell their property.

**Appropriation:** Or expropriation are synonyms for the exercise of eminent domain powers. The term “condemnation” is used to describe the formal act of exercising this power to transfer title or some lesser interest in the subject property.

**Artist Relocation Program:** A variety of financial incentives aimed at attracting artists to live and work in their city or state, for example: exempting artists from paying sales and income taxes on their work.

**“As is” sale:** The transfer of a property to a buyer with no promises, assurances, or representations by the property owner about the conditions of the property.

**Asset sale:** The transfer of ownership of public sector assets, entities, or functions to the private or nonprofit sector.

**Better Utilizing Investments to Leverage Development (BUILD):** A U.S. Department of Transportation (DOT) discretionary grant program, where the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Previously known as Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grants, Congress has dedicated nearly \$7.9 billion for eleven rounds of National Infrastructure Investments to fund projects that have a significant local or regional impact.

**Bid process:** Public solicitation for sealed bids from private or nonprofit developers, suppliers, or contractors.

**Branding campaign:** A vigorous initiative to promote the town or city as a brand to attract visitors, residents, and investors.

**Brownfield:** A site previously used for industrial or commercial purposes. Such land may have been contaminated with hazardous waste or pollution.

**Business climate:** The environment of a given community that is relevant to the operation of a business; usually includes tax rates, attitude of government toward business, and the availability of capital.

**Business creation:** A local economic development strategy that focuses on encouraging the formation of new for-profit and non-profit companies that are locally based and will remain in the community and grow in the future.

**Business Improvement Districts:** Or BID, is a private or a public sector (or in partnership together) initiative to improve the environment of a business district or area.

**Business incubator:** An organization that helps entrepreneurs and startups plan, perform, and reach profitability.

**Business retention:** Efforts by local economic developers to keep existing businesses in the community and to encourage them to expand their operations on their present sites.

**Center for Creative Land Recycling (CCLR):** One of the EPA's Technical Assistance to Brownfields (TAB) providers.

**Certificate of Completion:** A written verification from a state voluntary cleanup or brownfield program that a site has been cleaned up in a manner satisfactory to the state. In some states, a certificate provides liability protection but in most states liability relief must be obtained through another mechanism such as a covenant not to sue.

**Cleanup approval letter:** A written verification from a state voluntary cleanup or brownfield program that a site has been cleaned up in a manner satisfactory to the state.

**Cluster analysis:** The examination of employment in similar industries, or clusters, for the purpose of determining strengths for possible industry attraction, expansion and retention.

**Comfort letter:** A letter issued through a state voluntary cleanup program, that typically states that a site complies with the program's requirements, is clean enough for the intended use, and that no future enforcement action is expected unless conditions or uses of the site change. The letter typically does not provide legally enforceable rights such as relief from liability.

**Community branding:** Multi-dimensional marketing on the positive differentiator(s) of a community, intended to help it stand out relative to the competition.

**Community Development Block Grants (CDBG):** Flexible funding tools that address a wide range of community and economic development needs, including decent housing, healthy living environments, and expanded economic opportunity.

**Community Development Corporations (CDCs):** Local non-profit organizations created to promote urban redevelopment.

**Community Improvement Districts (CID) Act:** Legislation authorizing local governments to impose and collect a community improvement district sales tax on retail sales.

**Competition:** Occurs when two or more parties independently attempt to secure the business of a customer by offering the most favorable terms usually through a bid process.

**Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund):** A federal statute that governs the investigation and cleanup of sites contaminated with hazardous substances. The law establishes a trust fund that can be used by the government to clean up sites on the National Priorities List.

**Condemnation:** Indicates proceedings for taking property by right of "eminent domain." Not to be confused with the condemning property uses for reasons of safety and health.

- Contracting out:** The most popular privatization approach in the public sector involving the outsourcing of public services to business or nonprofits.
- Contractor certification:** A process for assuring that contractors meet state standards and have state approval for performing specific tasks.
- Contractor-certified cleanups:** Cleanups where the state allows private contractors to make cleanup decisions on behalf of the state, including no-further-action (NFA) letters. Only a small number of states use certified contractors.
- Cost-benefit analysis:** A systematic approach to estimating the strengths and weaknesses of development alternatives.
- Deed restriction:** A limitation on the use of a property that is recorded on the deed to the property. The limitations on use are legally enforceable against the owner of the property, but who may enforce the limitation depends on state law.
- Developer:** Also referred to as the “contractor,” is a for-profit or nonprofit company which has received a redevelopment or economic development contract from a city or town.
- Easement:** In general, an easement is the right of one person to use all or part of the property of another person for some specific purpose. Easements can be permanent or temporary (i.e., limited to a stated period of time).
- Ejectment:** An action of ejectment for the possession of land usually for the removal of a contesting party. Issued for a party claiming land or other real estate, against one who is alleged to be unlawfully in possession of it. A “Writ of ejectment” is the name of a process.
- Eminent Domain:** The power to take private property for public use by a state, municipality, or private person or corporation authorized to exercise functions of public character, following the payment of just compensation to the owner of that property.
- Enterprise development:** The assistance provided to entrepreneurship in a local community to assist entrepreneurs by connecting them to financial, human, and physical resources that can help them to start and grow their business.
- Enterprise zone:** An area in which taxes and regulation could be lowered; these areas are usually set up in depressed areas, with the goal of encouraging investment and job creation.
- Environmental Site Assessment (ESA):** A site evaluation or investigation conducted for purposes of determining the extent, if any, of contamination on a property. An assessment can be informal or formal and can consist of several stages.
- Exaction:** A local government may use an exaction to require concessions from developers, such as the construction of sidewalks on land that will be developed. The exaction must further a legitimate public interest.
- Fair market value:** The price that reasonably could have resulted from negotiations between an owner as a willing to seller and a purchaser who wanted to buy it without any special considerations. The value of real property is assessed based on the highest and best uses to which the property reasonably can be put. Elements for consideration include the history and general character of the area and the adaptability of the land for future buildings.
- Foreclosure:** A legal action taken by a lender to take the collateral (e.g., a property) that secures the loan and to extinguish the rights of the borrower in the collateral.
- General Obligation Bonds (GOB's):** Bonds issued by a government entity that are backed by the full-faith-and-credit of the government agency.
- Gentrification:** An economic redevelopment and revitalization process in urban communities and neighborhoods, which results in increased property values but the displacement of elderly, disabled, lower-income families, mom and pop stores, neighborhood cafes, and small businesses.

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**Gentrifiers vs. rustics:** Pro-gentrification residents and businesses versus residents and businesses who are against (or for limited) gentrification.

**Geographic Information System (GIS):** Computer system for capturing, storing, checking, and displaying data related to positions on the Earth's surface.

**Grants:** Public money given to an entity, and the recipient of these funds does not have to pay them back.

**Gravity analysis:** Attraction to shopping opportunities in a regional area depends on the size of the shopping (product assortment), distance, and customer sensitivity to travel time. Generally, bigger and closer are more attractive.

**Green infrastructure:** The range of measures that use plant or soil systems, permeable pavement or other permeable surfaces or substrates, stormwater harvest and reuse, or landscaping to store, infiltrate, or evapotranspire stormwater and reduce flows to sewer systems or to surface waters.

**Greenfield development:** Development of land that has never been used (e.g., green or new), where there was no need to demolish or rebuild any existing structures. When there exist grey-field and brownfield sites with infrastructure, redevelopment of those sites may be preferable.

**Greyfield:** Land or property that is economically obsolescent, outdated, failing, moribund or underused.

**Highest and best use:** The property use that results in the highest present value and brings in the greatest net return over a given period or in the foreseeable future. This is a key appraisal and zoning principle employed in valuing any parcel of land or property. A property's value is related to its surrounding environment so the use has to be consistent with the neighboring land use at a given time.

**Hot spots:** Specific areas where the level of contamination is very high.

**Indian Community Development Block Grant Program:** Provides grants to develop decent housing, suitable living environments, and economic opportunities for low- and moderate-income persons in Indian and Alaska Native communities.

**Infill:** Or "infill development" refers to building within unused and underutilized lands within existing development patterns, typically but not exclusively in urban areas.

**Interest:** An interest is a right, title, or legal share in something. People who share in the ownership of real property have an interest in the property.

**International City/County Management Association (ICMA):** Founded in 1914, ICMA advances professional local government through leadership, management, innovation, and ethics. Their vision is to be the leading professional association dedicated to creating and supporting thriving communities throughout the world.

**Kansas State University (KSU, KState or KSU-TAB):** One of the EPA's Technical Assistance to Brownfields (TAB) providers.

**Leadership in Energy and Environmental Design (LEED):** A sustainable environmental certification for facilities or buildings.

**Leasing arrangements:** A form of public-private partnership. Under a long-term lease, the government may lease a facility or enterprise to a private-sector entity.

**Lien:** A charge against a property in which the property is the security for payment of a debt. A mortgage is a lien. So are taxes. Customarily, liens must be paid in full when the property is sold.

**Loans:** Monies given to recipients with an expectation of repayment. Public sector loans generally permit firms that have trouble obtaining loans through normal channels to secure financing either at or below market interest rates from a government entity.

- Low-Income Housing Tax Credit (LIHTC):** Subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants. The LIHTC was enacted as part of the 1986 Tax Reform Act and has been modified numerous times.
- Main Street Program:** Established in the early 1980s by the National Trust for Historic Preservation and now a subsidiary of that organization, is economic and community development in its best form. It is a place-based public program where a community's assets are analyzed and an economic development program built from those assets.
- Market value:** The sale price that a willing and informed seller and a willing and informed buyer agree to for a particular property.
- Master plan:** Or master development plan, is a comprehensive, integrated development plan of action for a certain area or zone.
- Mixed use development:** Any urban, suburban or village development, or even a single building, that blends a combination of residential, commercial, cultural, institutional, or industrial uses, where those functions are physically and functionally integrated, and that provides pedestrian connections.
- National Priorities List (NPL):** The Environmental Protection Agency's list of the most serious uncontrolled or abandoned hazardous waste sites.
- Natural resource damages:** Injuries caused to natural resources such as streams, wildlife, and wetlands by contamination from a site. The government can in some cases compel parties responsible for the injuries to pay damages.
- Negotiation:** The process used by an agency to reach an amicable agreement with a property owner for the acquisition of needed property. An offer is made for the purchase of property in person, or by mail, and the offer is discussed with the owner.
- New Jersey Institute of Technology (NJIT):** One of the EPA's Technical Assistance to Brownfields (TAB) providers.
- New Markets Tax Credit (NMTC):** A program designed to stimulate the economies of distressed urban and rural communities and create jobs in low-income communities by expanding the availability of credit, investment capital, and financial services.
- NIMBY:** Short for "Not In My Back Yard," is a pejorative characterization of opposition by constituents to a proposal for a new development in their area.
- No-Further-Action (NFA) Letter:** A written statement by a state government that it has no present intention to take legal action or require additional cleanup by a party that satisfactorily cleans up a property under a state brownfield or voluntary cleanup program.
- Nonresidential use standard:** A cleanup standard, usually expressed as a numerical ratio of parts of a specific contaminant to parts of the medium of concern (e.g., 5 parts of lead per million parts of soil) that describes the maximum concentration of the contaminant in the medium that will not present an unacceptable risk to the health of humans engaging in any activity other than residential or those other activities considered to be substantially similar to residential.
- Opportunity Zone:** Created under the 2017 Tax Cuts and Jobs Act to stimulate economic development and job creation, by incentivizing long-term investments in an economically-distressed community where private investments, under certain conditions, may be eligible for capital gain tax incentives.
- Performance agreement:** Detailed write-up of expectations, targets, outputs for a task, program or project.
- Placemaking:** The development of quality public space that attracts pedestrian and other hands-on uses. The process suggests that communities can be built around well-designed places such as

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parks, downtowns, waterfronts, plazas, neighborhoods, streets, markets, campuses and public buildings.

**Prospective Purchaser Agreement:** An agreement between the Environmental Protection Agency (EPA) and the prospective buyer of a Superfund site that protects the prospective buyer from certain liabilities for contamination that is already on the site, usually in exchange for a payment of money and other commitments by the prospective purchaser.

**Privatization:** The government's use of business and corporate as well as nongovernmental organization and nonprofit practices to deliver public services.

**Program or Project:** Any activity or series of activities undertaken by an agency where Federal financial assistance is used in any phase of the activity.

**Public Private Partnership (PPP or P3):** Economic development partnerships between or among government, business, and nonprofits.

**Public use:** Requires that the property taken be used to benefit the public rather than specific individuals. Whether a particular use is considered public is ordinarily a question to be determined legislatures with review by the courts. The courts have generally deferred to legislative intent.

**Redevelopment:** Any new construction or development on a geographic area or site that has pre-existing uses.

**Redevelopment Agency (RDA):** A government body in charge of redevelopment grants, projects, and policies.

**Request for Information (RFI):** A standard business process whose purpose is to collect written information about the public service capabilities of private and nonprofit contractors, vendors, or suppliers.

**Request for Proposal (RFP) or Request for Qualifications (RFQ):** an open solicitation to submit formal proposals or statements of qualification, often made through publicly noticed process by a public agency interested in the procurement of a product, service, or asset. The distinction of an RFP and RFQ is that RFPs typically require a cost proposal, akin to a bid, while in an RFQ process, the winning entity is chosen through a combination of qualifications, experience and billing rates.

**Revenue Bonds (RB's):** Bonds where the principal and interest are repaid from the revenues generated by a capital project (e.g., toll road, museum, stadium, etc.).

**Smart growth:** Considered a better way to build and maintain towns and cities. Smart growth means building urban, suburban and rural communities with housing and transportation choices near jobs, shops and schools. It is an approach that supports local economies and protects the environment.

**Special assessment:** A unique charge that government agencies can assess against real estate parcels for certain economic development projects. This charge is levied in a specific geographic area known as a special assessment district.

**Streetscaping:** Street and sidewalk enhancements as part of urban renewal. It makes streets and sidewalks more senior, children, and disabled friendly.

**Superfund:** A United States federal government program designed to fund the cleanup of sites contaminated with hazardous substances and pollutants.

**SWOT analysis:** An examination of Strengths, Weaknesses, Opportunities and Threats by a community or other entity. Often undertaken part of a community assessment or inventory especially where a marketing or promotional effort is being considered.

**Tax abatement:** Contracts between a government entity and a holder of real estate that stipulated that some share of assessed value will not be taxed for an agreed upon time period.

**Tax Increment Financing (TIF):** a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects.

**Technical Assistance to Brownfields Communities (TAB):** helps communities, states, tribes and others understand risks associated with contaminated or potentially contaminated properties, called brownfields, and learn how to assess, safely clean up and sustainably reuse them.

EPA funds three organizations—Kansas State University (KSU), the New Jersey Institute of Technology (NJIT) and the Center for Creative Land Recycling (CCLR).

**Toxic tort action:** A legal proceeding brought to seek damages for personal injury or property damage incurred as a result of exposure to a hazardous substance.

**Transportation Investment Generating Economic Recovery (TIGER):** (See Better Utilizing Investments to Leverage Development [BUILD]).

**Uniform Act (URA):** Or the Uniform Relocation Assistance and Real Property Acquisition Policies Act is a federal law enacted in 1970 that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms.

**User fee:** Or user charge, require those who use a public service or facility to pay some or all of the cost of the service.

**Voluntary cleanups:** Cleanups of identified contamination that are not court or agency ordered. Most states have voluntary cleanup programs that encourage voluntary cleanups and that may provide benefits if volunteers meet specified standards.

**Workforce development:** A human resource strategy focused on enhancing a region's economic stability and prosperity.

**Zoning:** The establishment by municipalities of districts or special areas that are restricted to certain types of commercial, residential, or mixed-use development.

## REFERENCES

<https://www.eli.org/brownfields-program/glossary>.