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THE ROAD TO BROWNFIELDS REDEVELOPMENT, AFFORDABLE HOUSING AND SMART GROWTH

EBS BALLPARK The most notable project to date for Environmental Business Solutions is the remediation of the approximately \$1 billion, 35-block redevelopment area contained in downtown San Diego's East Village Neighborhood, which encompasses the seven-block footprint (and former brownfield site) of the new San Diego Padres Ballpark shown here. The remediation of this area is literally clearing the ways for thousands of new residential units being developed in downtown San Diego over the next few years.

San Diego, like most major markets across California (i.e., Los Angeles, San Francisco and Sacramento), has been facing an affordable housing shortage for some time, and builders have been struggling to keep up with demand. Because San Diego is running out of available land for new development, builders have begun to focus more on "infill" and redevelopment projects in the city's urban neighborhoods. Now, the overriding goal for developers is not just to help these areas grow, but to help them grow "smartly."

A few months ago, the City of San Diego adopted several strategies to address the city's lack of affordable housing. One highly controversial strategy is the inclusionary housing ordinance requiring developers of new projects to set aside 10 percent of all new units to low- and moderate-income units. An "in-lieu" fee will be assessed for developers unwilling to set aside 10 percent of their stock for low- and moderate-income residents.

In addition, city council approved the concept of fast-tracking plans for affordable housing and city infill projects. In-fill refers to the creation of more housing density within cities where the infrastructure is already in place. The council also cleared the way for the City of San Diego Housing Commission and various city redevelopment agencies to sell up to \$55 million in bonds to fund condominiums and other units that will be sold

at below-market values.

Under an outdated 1950s law, no more than 5,500 affordable housing units could be built in San Diego with public funds as part of the financing process. Last November, city council passed a measure to increase the number of affordable housing units to 10,500 in order to raise the capacity for building units that public agencies could help construct.

AFFORDABLE HOUSING AND QUALITY OF LIFE

When it comes to redevelopment, both the community and developers are often faced with many challenges regarding the location of the property. While suburban or rural development may result in less expensive homes, the tendency of developers to build these areas is clearly leading to other quality-of-life issues such as greater distance to work, severe traffic congestion, and loss of open-space land. The open spaces that are often developed, called greenfields, typically surround and expand beyond already-existing towns or cities. In a recent article by the Environmental Protection Agency (EPA), an estimated 4.5 acres of greenfields are saved for every one acre of brownfields redeveloped. The implications of greenfield development are enormous: increased sprawl, traffic, resource strain, and declining quality of life. Clearly something is needed to help close the gap in affordable housing, and also maintain quality of life.

SMART GROWTH

"Smart growth" is development that serves the environment, community and economy. It provides a framework for communities to make informed decisions about how and where they want to grow. Smart growth makes it possible for communities to grow in ways that support economic development and jobs; create strong neighborhoods with a range of housing, commercial, and transportation options; and achieve healthy communities that provide families with a clean environment.

City infill projects, an example of a smart growth strategy, have as their main focus creating healthy, vibrant, livable communities and addressing quality-of-life issues important to all communities.

With the current housing crisis facing San Diego, it is important to acknowledge the concerns of the community, the environment, policy makers, developers, and planners to ensure the most sustainable use of each property. This can be achieved through the smart growth principles used by a growing number of cities across the nation. These principles are outlined as follows:

- Provide mixed land uses
- Take advantage of compact building design
- Create a range of housing opportunities and choices
- Create walkable neighborhoods
- Foster distinctive, attractive communities with a strong sense of place
- Preserve open space, farmland, natural beauty, and critical environmental areas
- Strengthen and direct development towards existing communities
- Provide a variety of transportation choices
- Make development decisions predictable, fair, and cost effective.
- Encourage community and stakeholder collaboration in development decisions

"CITY OF VILLAGES": SMART GROWTH IN OUR BACKYARD

The future of San Diego's housing and transportation is linked to the City of Villages plan, which would encourage the redevelopment of San Diego's 26 older and neglected neighborhoods. The City of Villages concept is based on New Urbanism, a design philosophy that promotes the creation and restoration of diverse, walkable, compact, vibrant, mixed-use communities. These new urban villages ideally are comprised of housing, work space, shops, entertainment, schools, parks, and civic facilities essential to the daily lives of the residents – all within easy walking distance of each other.

Brownfields are defined by the EPA as "real properties, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant."

The intention of the City of Villages strategy is to steer San Diego's growth over the next 20 years. According to a recent article released on behalf of the city, carrying out this strategy will involve: 1) tailoring a development plan to fit each of San Diego's unique

neighborhoods; 2) identifying financing sources for needed public improvements; 3) improving cooperation between developers, communities and public agencies; and 4) beginning the selection process and construction of "pilot" urban villages.

A 40-member public committee has worked with city planners to address the concerns of higher densities and have envisioned the plan for three pilot villages to be implemented within the next three years, followed by dozens more in the metro area.

LAND RECYCLING: THE KEY TO SMART GROWTH

The difficulties associated with brownfield redevelopment are often overlooked in smart growth strategies. Yet, they may also be exactly the solution for which developers have been searching. Brownfields are likely to be central to any successful infill strategy

or smart growth plan. Brownfields are typically sites that have been abandoned and/or rundown, creating an eyesore in the community and leading to a decline in community vitality.

Brownfield redevelopment and the companion strategy of "land recycling" take advantage of already-existing parcels of land within the city. The objective of land recycling is to help ensure that land development required to meet our society's housing and economic needs will concurrently clean up contaminated properties, while stimulating reinvestment in disadvantaged communities, particularly within the urban core.

The redevelopment of brownfield sites is complicated by real or perceived environmental contamination. Such sites might include an old service station or auto shop, a metal plating shop, a dry cleaner, paint and body shop, railroad yard, or a site contaminated with lead from "burn ash," caused by burning trash before refuse collection services.

Cleaning up these brownfield sites before development is a necessary, yet often unpleasant task for many developers. More often than not, site investigations and remediation activities require an exorbitant amount of time, expense and hassle. Leaving these brownfields abandoned and contaminated, however, will negatively impact a community's economy, environment and livelihood.

Often these brownfield sites may be cleaned up to a level suitable for commercial and industrial uses and are already served by needed infrastructure such as water and sewer. However, developers and businesses may choose to locate on greenfields without needed infrastructures such as roads and utilities. This contributes to the loss of open spaces, increases the amount of taxpayer dollars spent on funding new infrastructure, and impedes neighborhood revitalization efforts.

Redeveloping brownfield sites undoubtedly will contribute to smart growth. Therefore, "smart strategies" for cleaning up

contaminated sites will be critical. One example of a smart strategy is California's Polanco Redevelopment Act, which allows a redevelopment agency to order parties responsible for contaminating property in the redevelopment project area to perform the necessary cleanup. If the responsible party does not cooperate, the redevelopment agency can perform the cleanup itself or arrange for a third party to clean up the property.

It's important to note that the law does not make state funds available for redevelopment agencies to use for the cleanup. Rather, it provides for cost recovery provisions that the redevelopment agency can use to recover its cleanup costs from the party or parties responsible for the contamination.

The success of the site remediation for the new Padres ballpark in East Village was due in large part to the unprecedented application of the Polanco Act by Centre City Development Corporation (CCDC). The Polanco Act created tremendous leverage, when used in combination with eminent domain powers, for property owners to either clean up decades-old contamination. Or, the Act empowered the agency to conduct the cleanup on behalf of the property owner. The Polanco Act relies on the value of each property to pay for cleanup and does not rely on public funds. East Village and the ballpark have won accolades for the creative use of "smart" brownfields strategies, including an Alonzo Award from the San Diego Downtown Partnership and "Brownfields Project of the Year" from the California Redevelopment Agency. A new, vibrant East Village would not be possible without these efforts.

Growth is inevitable, but the strategies used to monitor this growth are negotiable. Using smart growth and smart brownfields strategies, we will not only create a sustainable community for ourselves and the future, we will also be helping our environment and our communities flourish. ♦