Highlights of Policy Lessons from the Coastal Brownfield Development of Fields Point in Providence, RI

Transforming a municipal dump into a nationally recognized coastal community resource



SAVE THE BAY.

NARRAGANSETT BAY

100 Save The Bay Drive Providence, RI 02905 www.savebay.org

401-272-3540

In the late 1990s, Save The Bay partnered with Johnson & Wales University to assemble the capital, political will and design expertise to clean up a vacant, contaminated coastal site at Fields Point along the Providence River. Completed during the summer of 2005, the Save The Bay Center features a high-performance green building and innovative site design. The remediated brownfield now provides dramatic and extensive new public access to Narragansett Bay, educational and community meeting space and a powerful demonstration project for public officials and private organizations of the development potential of Providence's underutilized waterfront.

The region around Narragansett Bay is growing. Along with the benefits of growth, such as job opportunities and a rising tax base, come the challenges of how and where increased population and economic activity will occur. Redevelopment of brownfield, vacant and underutilized properties like the Fields Point site builds on prior public and private investment, takes advantage of existing infrastructure and helps to revitalize communities. Unfortunately, it is not always easy to redevelop these properties, and both public and private investment moves to less regulated and easier to develop greenfield sites.

Save The Bay faced many financial, permitting and political challenges in the course of its development project and this paper draws lessons from that experience. With funding through a Cooperative Agreement from the U.S. Environmental Protection Agency's (EPA) Development, Community, and Environment Division, Save The Bay is able to document, analyze and share this experience of developing a coastal brownfield in Rhode Island.

We began with a thorough review of Save The Bay's seven-year Fields Point development project, documenting the interplay between permitting, financing and cleanup requirements, Save The Bay's decision-making, and the project outcomes. Then we took a look at the broad federal and state policy context shaping Rhode Island coastal development patterns, and the regulation of coastal brownfield redevelopment in particular. Based on this analysis, we gleaned a series of lessons for policymakers, regulators, municipal authorities and developers about the relationship between this regulatory context and their efforts to foster targeted, sustainable, and ecologically sound coastal development

The first set of these lessons highlights the importance of incorporating Smart Growth strategies and creating structures that foster a comprehensive approach to coastal brownfield development. The second set focuses on ways to attract the right developers and projects to a region. The third set points to ways in which changes in the permitting process can support and stimulate brownfield redevelopment.



Bringing Positive Economic, Environmental and Public Health Benefits to Coastal Brownfield Development

Look to Smart Growth Principles

Use Creative Combinations of Planning and Zoning Tools 1) Smart Growth principles can provide guidance and structure to coastal communities seeking to shape development and related policies. A comprehensive approach to coastal development, coupled with strong financial and regulatory incentives helps to focus development and protect areas better suited to less intensive or ecologically important uses. Smart Growth strategies help communities ensure that growth and development supports multiple community goals.

2) The redevelopment of a brownfield site offers significant environmental benefits. Reusing a brownfield provides an alternative to developing open space or farmland. The clean-up relieves the community of a potential environmental or public health threat. If the brownfield is then developed in a way that supports economic, community, environmental and public health goals, the benefits are compounded. Compact, mixed-use and walkable redevelopment of a brownfield site can provide fiscal, environmental, community, and public health benefits.

3) The water-typing scheme created under the Rhode Island Coastal Management Program is a powerful tool for shaping development patterns along the coast. This is a challenging and dynamic area for policy development because changes in the intensity and nature of permitted activities can have far-reaching and controversial impacts. Such a scheme must also be developed so that there is consistency between the water typing under the coastal management program and the water quality standards required by the Clean Water Act. Inconsistencies can hinder projects that support broad community, economic, environmental and public health outcomes.

4) States can use coastal management structures established under the Coastal Zone Management Act to create a broader regional view of planning, zoning and growth management. Important determinants of regional development patterns, such as density and land

What is Smart Growth?

Smart Growth Principles are an evolving set of guidelines intended to concentrate growth and development in areas served by existing transportation and public service infrastructure, making more productive use of these assets and conserving our remaining natural resources. The existing distribution of imperious surfaces in the Narragansett Bay watershed (map) provides a good proxy for current development density as well as locations of potential coastal brownfield sites.

The Ten Smart Growth Principles

- I. Promote mixed land uses
- 2. Take advantage of compact building design
- 3. Create a range of housing opportunities and choices
- 4. Create walkable neighborhoods
- 5. Foster distinctive, attractive communities with a strong sense of place
- 6. Preserve open space, farmland, natural beauty, and critical environmental areas
- 7. Strengthen and direct development towards existing communities
- 8. Provide a variety of transportation choices
- 9. Make development decisions predictable, fair and cost-effective

10. Encourage community and stakeholder collaboration in development decisions.

- From Smart Growth Network. Smart Growth Principles. www.smartgrowth.org.



Serving Multiple Communities and Goals

The Rhode Island "Metro Bay SAMP" project governs development and resources in coastal areas of Providence, Pawtucket, East Providence and Cranston.

use, are driven by municipal zoning regulations. As a result, there needs to be an effort to coordinate zoning regulations among neighboring coastal communities. The Coastal Zone Management Act provides a framework within which states and municipalities can plan together by creating and implementing Special Area Management Plans (SAMPs). A coastal zone management program can provide some integration among coastal municipalities and increase the capacity to serve multiple community goals, such as regional economic growth, coordinated environmental protection and improved quality of life. State, municipal and federal officials can use these tools to align their multiple fiscal and environmental goals.



Attracting the Right Development Projects

Be Open to New Kinds of Developers

Understand the Dynamics Between the Regulators and the Regulated 5) Consider developer experience and the differing needs of sophisticated and unsophisticated brownfield developers when developing programs. The creation of successful regulatory initiatives requires feedback from all stakeholder groups. Unsophisticated brownfield developers, like Save The Bay, perceive and react to risk and uncertainty differently from more sophisticated developers who have completed multiple brownfield projects. It is, therefore, important to include developers with little or no brownfield experience in the stakeholder policy discussions. Even those developers with no brownfield experience make significant brownfield development decisions if they simply decide not to proceed or pursue a brownfield project, discouraged by risk and uncertainty. The equalizing factor for unsophisticated developers is information and transparency. The result is an increase in the pool of potential brownfield developers.

6) Consider the needs of small mission-driven project developers, particularly in urban infill areas. The impacts of policies and regulations (and

the incentives and disincentives that they create) are normally measured in economic terms: impact on property values, taxes, jobs, square footage, return on investment, etc. These are critical measures, but may not always capture the value to the community of successful projects undertaken by public and social organizations. The level of commitment that these groups bring and the level of organizational risk that these groups take on should not be underestimated. Small mission-driven projects often don't have the funding to overcome the challenges associated with brownfield redevelopment. They may also be less likely to seek or able to collect site-specific information at critical early points in the process. However, these organizations are often an integral part of a good community revitalization effort and the type of developer that municipalities can least risk losing.

7) Differing perspectives create unexpected dynamics between the regulator and the regulated. Government agencies with a broad mandate to protect public health and safety, to assign risk and liability, and an interest in building a broad base of information about brownfields approach the permitting of a particular project with a different orientation than the developer. Areas of difference are likely to include alternative methods of evaluating risk, the value attached to collecting different types of information, clean-up requirements, and the assignment of continuing liability. Procedures designed to fulfill the needs of one group many be seen as unnecessary or burdensome by the other.

Supporting the Development Process

Streamline Permitting, Informational Access, Financial Incentives, and Timing 8) Differing mandates within and between agencies need to be reconciled rather than dealt with on a case-by-case basis. Well-thought-out and consistent policies, such as design guidelines, addressing issues such as public access, storm water management and coastal buffer zones, make coastal development decisions more predictable and fair. They remove the need for lengthy case-by-case permitting variances by clearly defining the permitting requirements, the situations in which variances may be considered and what exchanges are possible.

9) The permitting process should be streamlined with a focus on predictability in addition to speed. Predictability has value in and of itself. Predictability allows developers to put a monetary figure on the time required to obtain approvals. These costs become part of the anticipated development costs and fundraising or investment calculations. Streamlining efforts have centered on reducing permitting delays and encouraging "fast-tracking," in other words, reducing the time

necessary to complete approval processes and pass permitting milestones. Reducing the processing time is an important improvement. However, focusing on predictability as well could reduce perceived risk and uncertainty more efficiently than a single focus on speed. For example, dates for completion of various milestones can be publicized, clarifying expectations for both the permittee and the permitting agency. Agency timelines can be shortened as institutional capacity increases. RI has statutes which allow state and municipal agencies to hold joint hearings or meetings and this approach could also be used to rationalize the permitting process.

10) Centralized, easily accessible information about the entire landscape of brownfield-related programs and assistance is important in attracting and supporting smart development. Readily available information describing existing site-specific environmental site assessment data, permitting information and financial incentives (such as capital or discounted environmental insurance, whether they are used or not) helps to erode the negative stigma and creates the perception that successful brownfield development is possible. Some communities go beyond this to seek out successful developers of projects in other communities that are seen as appropriate for local brownfield or infill projects.

II) The timing of funding and capital assistance programs should be designed to meet the different needs of a brownfield developer. Capital is the lifeblood of any development project. For non-brownfield projects, the first major capital outlay is the acquisition of the site and permitting. In brownfield projects, the first major capital outlay is the environmental site assessment. Since a developer does not typically have access to bank financing until after they have completed a site assessment and received a Remediation Decision Letter and a Settlement Agreement, the developer ends up bearing all of the financial risk of the site assessment on a project which may not be undertaken. To make financial incentive programs such as revolving loan funds, site assessment grants and environmental insurance programs

attractive, they need to be available at the right time in the capital need cycle and must also have predictable and timely application processes.

Carving Out a Beachhead

Save The Bay Center re-connects the public to Narragansett Bay at a former brownfield site. "Green" building techniques, shore restoration, education and meeting rooms, on-the-water programs, and administrative offices all model the innovative reclamation of the former municipal dump.

