

## **Community Regeneration, Sustainability, and Innovation Act of 2009 Summary**

The Community Regeneration Act (or “the Act”) would create a new, competitive program within the U.S. Department of Housing and Community Development (“HUD”) targeted towards cities and metropolitan areas experiencing large-scale property vacancy and abandonment due to long-term employment and population losses. The Act would provide assistance to communities to start or expand land banks that establish public control over vacant and abandoned property so it can be used in ways to benefit the public. The Community Regeneration Act would encourage innovation, experimentation, and environmentally sustainable practices through collaborative efforts to reuse land bank properties in ways that will provide long-term benefits to the public, whether it is through the creation of green infrastructure, economic development, or other strategies. Implementation of such strategies would create new and sustainable employment opportunities for residents. The Community Regeneration Act would also strongly encourage multi-jurisdictional or regional approaches to addressing the problem of vacant and abandoned property.

### *Regeneration Communities Demonstration Program:*

The Community Regeneration Act would establish a three-year demonstration program that would authorize the selection of ten applicants per year for funding. HUD would select 15 small cities (population of 150,000 or less) and 15 large cities (population exceeding 150,000) over the three-year period. An eligible applicant would have to show it experienced significant population and employment loss occurring over a period of years which resulted in widespread property vacancy and abandonment. Under the Act, an applicant would have to fall within one of two categories—

- (1) The applicant jurisdiction, or the most populous jurisdiction within an applicant consortium, has experienced at least 20 percent population loss since 1970, as measured by 2000 decennial census data.
- (2) The applicant jurisdiction, or the most populous jurisdiction within an applicant consortium, meets the following two conditions—
  - (A) It has experienced prolonged population, income, and employment loss resulting in substantial levels of housing vacancy and abandonment.
  - (B) Its housing vacancies and abandonments are concentrated in more than one neighborhood or geographic area.

Eligible uses for funding provided under the Act would fall into four broad categories—

- (1) Vacant Property and Program Capacity Activities: Includes the establishment or expansion of local or regional land banks, the establishment of recovered building materials reuse and recycling infrastructure, the expansion and improvement of code enforcement capabilities, the development of data and information systems such as comprehensive real property systems, early warning systems, and vacant property inventory and tracking systems, among other activities.
- (2) Stabilization Activities: Includes deconstruction and demolition of vacant and abandoned properties, demolition and removal of public infrastructure, and the relocation of structures, among other eligible uses.
- (3) Design, Development and Reuse Activities: Includes creation of open space and networks of green infrastructure, establishing and maintaining urban agriculture and farm markets, adaptive reuse, rehabilitation, or improvement of architecturally, historically, or culturally significant structures, or other structures of community significance, and the development of infrastructure to produce renewable energy on vacant land including solar energy, wind power, and geothermal power.

(4) Planning and Policy Innovation Activities: Includes strategic planning, neighborhood, brownfield, and vacant property plans, city and neighborhood typologies, collaborative vacant property assessment processes that identify and target Federal, State, local, and nonprofit resources for neighborhoods and communities, and efforts to reform existing State and local codes, policies, and processes to promote vacant property reclamation and reuse through flexible, performance based standards, regulations, and development processes.

In addition to these activities, the Secretary of HUD would be authorized to designate other eligible activities in accordance with the purposes and goals of the Act.

Ineligible Uses: Include the demolition of public housing, historic structures, and the clean-up or redevelopment of brownfields.

*Selection and Evaluation of Applications:*

Regeneration Plan: In order to compete for demonstration program funds, a jurisdiction, or consortium of jurisdictions, would submit a regeneration plan to HUD, along with any other information HUD may require. A regeneration plan would include the following elements—

- (1) A comprehensive land use plan that reflects the population loss a community or region has experienced, reflects future population trends, including any anticipated further losses using the most current data available, and provides for the efficient and sustainable use of land, structures, neighborhoods, and resources within the community or region.
- (2) Creation of green infrastructure to be set aside for recreation, open space, agriculture, park use, educational use, or purposes related to future economic or residential development.
- (3) A detailed implementation strategy, including modifications to comprehensive or master land use plans, neighborhood plans, and zoning and building codes.
- (4) Integration of related programs and strategies funded through other sources, Federal, State, local, and private, into its implementation strategy.
- (5) Any other elements determined by the Secretary.

Green Infrastructure: This term is defined in the Act as the interim and permanent reuse of vacant properties for an interconnected network of open spaces, trails, and natural areas such as greenways, wetlands, parks, forest preserves, and native plant vegetation that can naturally manage stormwater, reduce flooding risks, improve water quality, and reduce urban heat islands.

Selection Criteria: HUD's primary criteria would include the following—

- (1) If feasible or appropriate, the extent to which an applicant proposes to foster regional collaboration among and across governments, and with private and non-profit organizations, in addressing vacant and abandoned properties, such as the establishment of one or more—
  - (A) Regional vacant property reclamation strategies.
  - (B) Regional land banks to gain public control of such properties.
  - (C) Regional real property data systems.
  - (D) Regional vacant property action plans that target and coordinate other Federal, State, local and nonprofit funds and resources to identified communities and neighborhoods.

- (2) The extent to which an applicant proposes to reposition the jurisdiction, or the jurisdictions constituting a consortium, for the future by targeting resources and investment in clusters of sustainable urban neighborhoods and establishing networks of green infrastructure.
- (3) The extent to which an applicant proposes to partner with institutions such as universities, museums, historic preservation organizations, neighborhood and community organizations, Federal, State, and local governments, and other organizations or entities whose participation would promote the successful implementation of a regeneration plan.
- (4) The extent to which an applicant proposes to design and develop policy and programmatic innovations that foster vacant property reclamation, such as code reforms and performance-based regulatory approaches.
- (5) The severity of the problem of vacant and abandoned property within an applicant's or applicants' jurisdiction or jurisdictions.
- (6) The capacity of an applicant or applicants to implement a regeneration plan, including its ability to demonstrate quantifiable outcomes, such as the potential to enhance property values, improve ecosystems, and benefit public health.
- (7) The level of commitment of an applicant or applicants, and any organizational partners, to the implementation of a regeneration plan.
- (8) The potential for a regeneration plan to promote the overall livability of a jurisdiction or jurisdictions for current residents.

Secondary Criteria: A successful application would also include as many of the following elements as appropriate or feasible—

- (1) Good urban design principles.
- (2) Sustainability principles.
- (3) Integration and targeting of CDBG funding.
- (4) Use of other funds and resources, Federal, State, local, private, financial, or otherwise.
- (5) If appropriate, brownfields remediation and redevelopment (funded through other sources.)
- (6) Smart growth principles, including, but not limited to, complete streets, new urbanism, affordable housing, mixed uses, infill development, public infrastructure improvements, and form-based codes.
- (7) Deconstruction activities.
- (8) Where necessary, improvement of real property data and information systems with respect to property conditions, and streamlining and improvement of code enforcement procedures in order to expedite the process of asserting public control over vacant and abandoned properties.
- (9) Promotion of energy-use efficiency, green collar jobs, natural systems storm water management, and other ecological services.
- (10) Neighborhood plans developed through a community-based process for component communities within an applicant's jurisdiction or jurisdictions.

(11) The potential to create new employment opportunities, especially in areas directly related to the implementation of a regeneration plan, including building deconstruction, removal of buildings and infrastructure, creation of green infrastructure, environmental remediation, and long term employment in environmentally sustainable activities including urban agriculture, open space maintenance, and renewable energy production.

(12) Adaptive reuse, rehabilitation, or improvement of architecturally, historically, or culturally significant structures, or other structures of community significance in targeted areas.

The Secretary may also include other elements commensurate with the purposes of the Act.

#### *Planning Grants:*

The Community Regeneration Act would authorize HUD to provide assistance to communities to develop regeneration plans prior to their submission to HUD. Such assistance could not exceed \$250,000.

#### *Sustainability Demonstration Grants:*

The Act would also authorize a competitive innovative grants program for specific short-term demonstration projects that are in accordance with the sustainability goals of the Act. Communities would not have to submit a regeneration plan when applying for a sustainability grant. Grants could not exceed \$250,000. A local match amounting to 25 percent is required. Projects could include—

- (1) Design and creation of interim and permanent open space and networks of green infrastructure, low impact development, and storm water management activities.
- (2) Establishment of recovered building materials reuse and recycling infrastructure.
- (3) Development or expansion of urban agriculture initiatives, including community supported agriculture and farmers markets.
- (4) Development of infrastructure to produce renewable energy on vacant land including solar energy, wind power, and geothermal power.
- (5) Creation of workshops and training for green collar jobs to support innovative sustainability demonstration projects.
- (6) Development of other innovative sustainability projects that would further the purposes of the Act.

After an applicant receives funding for a Regeneration Communities Demonstration Program grant, it is no longer eligible to apply for or receive funding for planning or Sustainability Demonstration grants.

#### *Performance-based Regulations:*

To the extent feasible, the Secretary would employ performance-based regulatory concepts in promulgating regulations under the Act.

#### *Federal Interagency Regeneration Communities Coordinating Council:*

The Act would create a Federal Interagency Regeneration Communities Coordinating Council that would include representatives from relevant Federal agencies, including designees of the Secretaries of the Departments of Commerce, Transportation, and HUD, and the Administrator of the Environmental Protection Agency, and advisors from academia, the non-profit sector, and community organizations. The Council would develop Federal agency support plans for Regeneration Communities which would include—

- Offering technical assistance to grantees through a network of local and national vacant property assistance providers.
- Assigning staff through Intergovernmental Personnel Agreements.
- Allocating other Federal agency funds consistent with an approved plan.
- Offering guidance and technical assistance to program applicants on leveraging and coordinating funding from other Federal sources in plans developed under the Act, especially assistance provided by the Economic Development Administration, the Environmental Protection Agency, and HUD—particularly HUD’s Community Development Block Grant (“CDBG”) program.
- Where feasible, instituting alternative performance-based regulatory approaches and standards.

*Funding:*

Regeneration Communities Demonstration Program: \$100 million per year for 3 years.

Planning and Sustainability Innovation Grants: \$25 million for first year; \$12.5 million for last two years.

Federal Interagency Regeneration Communities Coordinating Council: \$24 million per year for 3 years.