

STATEMENT

by

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On behalf of

National Association for County Community and
Economic Development

National Community Development Association

Before the House Subcommittee on Housing and
Community Opportunity

On H.R. 2941

“Brownfields Redevelopment Enhancement Act”

March 6, 2002

Madam Chair and Members of the Subcommittee:

Thank you for inviting my testimony before the Housing Subcommittee on H.R. 2941, the “Brownfields Redevelopment Enhancement Act.” It will be brief. I am John Murphy, Executive Director of the National Association for County Community and Economic Development (NACCED). I am also testifying on behalf of the National Community Development Association (NCDA). By way of background, NACCED is a nonprofit national organization composed of county government agencies that administer community development, economic development and affordable housing programs. NACCED was formed in 1978 as an affiliate of the National Association of Counties to assist in developing the technical capacity of county agencies in administering the Community Development Block Grant, HOME and related programs. NCDA, an affiliate of the U.S. Conference of Mayors, represents city government agencies that administer community development, economic development and affordable housing programs. The combined memberships of NACCED and NCDA represent the bulk of the nation’s CDBG entitlement communities.

At the outset I would like to offer the enthusiastic support of both NACCED and NCDA for H.R. 2941, introduced by you, Rep. Gary Miller, Chairman Oxley and Rep. Carolyn Maloney. As you know, the bill would primarily de-couple brownfields redevelopment grants from a requirement that these grants be solely in projects and activities assisted with a CDBG Section-108 loan guarantee. The coupling of brownfields grants and Section-108 was a requirement put in place by the previous Administration.

Recently I undertook a survey of NACCED members to determine if any had been prevented from applying for a brownfields redevelopment grant because of the linkage to Section-108. The following urban counties replied that it had:

- Berks County, PA
- Clark County, NV
- Cuyahoga County, OH
- Hamilton County, OH
- Lancaster County, PA
- Orange County, FL
- Ramsey County, MN
- St. Louis County, MO
- Westchester County, NY

NCDA has reported similar problems.

Entitlement counties and cities point to several problems with the coupling of brownfields grants to Section-108. First, many communities do not wish to tie up future entitlement funds to repay a Section-108 loan. Second, a community may wish to use resources other than 108, such as state funding, as part of the financing for the brownfields cleanup. Third, even if community wanted to use Section-108 guaranteed

loans for brownfields clean-up the time it takes HUD to process may be more disruptive than useful in the timing of the financing.

NACCED and NCDA also support the bill's language clarifying that environmental cleanup and economic development of brownfields sites is an eligible use of CDBG funds.

The nation's counties and cities are eager to redevelop brownfields sites as part of their overall revitalization efforts and to promote economic development. Enactment of H.R. 2941 would greatly assist in this effort. I urge the Subcommittee to expedite its passage.