

# **BROWNFIELD REDEVELOPMENT STRATEGIES FOR GARY, INDIANA**

Prepared for:  
**THE CITY OF GARY, INDIANA**

By:  
The Great Lakes Environmental Finance Center  
Technical Advisory Committee  
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The Urban Center  
The Maxine Goodman Levin College of Urban Affairs  
Cleveland State University

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WORKSHOP PART	

***Brownfield Redevelopment Strategies for Gary, Indiana***

**ACKNOWLEDGMENT**



## ***Brownfield Redevelopment Strategies for Gary, Indiana***

1) Comprehensive and Master Planning, and 2) Sources of Project Financing.

### **COMPREHENSIVE PLANNING:**

1. Develop a comprehensive plan for the City of Gary. This plan should be provided by a professional firm with substantial and demons

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### **SOURCES OF FINANCING:**

Once the site prioritization has revealed which sites are to be redeveloped first and a master plan has been developed for the site(s), sources of financing will be made available to the community as it demonstrates its ability to collaborate with a variety of local and state resources, such as the Federal Empowerment Zone cities, the Northwest Indiana Brownfield Redevelopment Project, and the Gary Urban Enterprise Association. Specific site assessment and cleanup and redevelopment funds are recommended below.

Utilize these sources of funds available for **site assessment**:

- Indiana Development Financing Authority (IDFA) site assessment grants
- Community Development Block Grant (CDBG) funds
- Specific funding available through the Gary Urban Enterprise Association
- Indiana Department of Environmental Management (IDEM) on-site assessment services

1. Utilize the following sources for **cleanup and redevelopment**:

- Private developer equity, utilizing referrals from the Gary Chamber of Commerce.
- Housing and Urban Development (HUD) Economic Development Initiative and Brownfields Economic Development Initiative funds.

- Casino proceeds can be applied to infrastructure improvements in brownfields redevelopment.

- Partnership with Northern Indiana Public Service Commission (NIPSCO), the gas/electric utility provider, to identify land in a land assembly strategy effort.

- Partnership with the Northwest Indiana Regional Planning Commission and other redevelopment authorities.

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State and federal remediation tax credits

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## **COMPREHENSIVE AND MASTER PLANNING**

### **COMPREHENSIVE PLANNING**

Beyond the need for the redevelopment of the areas identified by Gary city officials is the need for greater collaboration and focus on the economic development priorities for the city. One of the best ways to define economic expectations and goals is to devise a comprehensive plan for the community. In this way, both public administrators and elected officials can be guided by a common strategy and work toward common objectives, albeit often using different styles.

**Recommendation: The GLEFC advisory team recommends the formation of a comprehensive plan for the City of Gary.**

A comprehensive plan is a plan for development of commercial, residential, and recreational use of the land within the city boundaries, guided by existing structures and economic generators and the need for future growth and economic expansion. The purpose of the comprehensive plan is to provide a “unified general physical design for the community and to clarify the relationships between physical development policies and social and economic goals.”<sup>1</sup> The comprehensive plan should be grounded in demographic trends, geographic and geologic information, and economic resources. The City of Gary is currently working without this type of road map. There appears to the advisory team to be no single coalescing force or goal defining the long-term development efforts of the city. Because there are so many brownfields and other parcels of vacant land available, the advisory team believes the time is right to revisit the comprehensive planning process.



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officials. The comprehensive plan provides a common ground for each stakeholder to have her/his issues addressed and incorporated into an overall guiding strategy for the city's movement into the future. Regardless of the change in political leadership, the comprehensive plan provides a buffer against altering the general development course in favor of short-lived gains.

Hence, the advisory team strongly recommends that the City of Gary engage an outside firm to provide a comprehensive plan. At a minimum, the professional firm hired to provide the plan should have American Planning Association membership or firm associates should be members of the American Institute of Certified Planners. The Council for Urban Economic Development (CUED) is able to provide referrals to firms or organizations that can provide comprehensive planning services. The selected firm should be able to provide quality examples of successful comprehensive planning projects for cities of the same size as Gary. A ballpark estimate of the cost for a comprehensive plan for the City of Gary is \$125,000 to \$200,000 based upon what the city determines are its minimum needs in the plan.

The typical process for creating or updating a community Comprehensive Plan of Development takes 12 to 18 months because there is (or should be) substantial community input. Typical sections include analyses of:

1. Prior plans and the status of implementation.
2. Historical background and development of the community.
3. Important regional factors and their impact on the community.
4. Natural resources.
5. Community demographics.
6. Housing stock, development trends, and pricing.
7. The local economy.
8. Economic development needs.
9. The community's fiscal situation--expenditures, revenues, and taxes.
10. Current land use and development potential.

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11. Open space--available and needed.
12. The community's utility infrastructure.
13. Transportation and circulation.
14. Community facilities and services.
15. Historic preservation.
16. Any special local conditions (e.g., dune area issues and management).
17. Community management issues.
18. Existing development regulations--zoning, subdivision, wetlands, etc.

Out of this comprehensive analysis, the community should:

- a) develop a shared vision of what it wants to look like 20 years from now;
- b) create a land use plan reflecting the

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area-wide plan, as opposed to an overall, general plan such as the city's comprehensive plan.

**Recommendation: Organize key stakeholders into a Brownfield/ Redevelopment Working Group that will make commitments of time and resources and be accountable to the city leadership.**

The Brownfields Working Group should be comprised of senior representatives of the following organizations:

Banking

City Council

Utilities

Railroad

State agency coordination, to represent all state agencies (would most likely be a state appointment)

Regional planning commission (NIPSE and/or NWIBRP)

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In the context of the June 29 workshop, the GLEFC Advisory Team recognizes that not all development areas of importance for the city were discussed. However, considering the discussion centered on the waterfront and airport development areas with a need to address the redevelopment of brownfields, the GLEFC Advisory Team recognizes the need for a master plan for the Airport Development Zone and for the waterfront area. The airport is already creating a master plan for the airport expansion area. This planning process could benefit from the active input of Gary city officials, especially in relationship to the northernmost portion of the zone, which includes the waterfront. There was great attention at the workshop given to the need for greater collaboration among key city stakeholders, and it is apparent to the advisory team that the airport master planning process would benefit from several other inputs. Once the prioritized site list is compiled, master plans can be developed in a timeframe consistent with funds available and the priorities of city leadership. A typical master plan can be developed in 60 to 90 days, or as long as six months depending on the extent of projected funding and development potential.

### **Recommendation: Develop a linked strategy for the Airport Development Zone and the waterfront development area.**

The advisory team recommends developing a linked strategy for the entire Airport Development Zone (ADZ), including the lakefront, that would incorporate a development approach focusing on economic priorities, such as phases of development for each identified area in the large zone. This would accommodate the immediacy of the airport's current negotiations with passenger air service providers and still provide a unified plan for road upgrades and site acquisition plans for the lakefront. The key concept is to break down a very large area into identifiable, manageable sites.

This linked strategy should be a key foundation in the development of any master plan for the ADZ.

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### **SOURCES OF FINANCING**

The City of Gary has aggressive plans for the redevelopment of some of its major former industrial properties, especially along the waterfront and in the ADZ. Given these expansive spaces, with a myriad of complex redevelopment factors, financing is a major barrier to redevelopment. It is not, however, insurmountable given some of the many resources available in the City of Gary. The federal Empowerment Zone designation, of which Gary is a partner with East Chicago and Hammond; the recipient of a state assessment grant from the Indiana Development Financing Authority (IDFA); and the partnership in the Northwest Indiana Brownfield Redevelopment Project (Nv8 Tc 0.0023395 Tm 0 0 12 421.473Redev

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the City of Gary. Collaboration with this organization can be a critical link to advancing redevelopment.

Request the services of **the Indiana Department of Environmental Management (IDEM)** to conduct site assessment. They have a field team available to come on site to conduct testing and provide needed documentation of land conditions.

Identify other local nonprofit intermediaries or development organizations that have access to public or private funding sources.

**Recommendation: Utilize funding sources for cleanup and redevelopment from the following categories.**

### **SOURCES OF EQUITY:**

Private developers and investors are seeking a 25 to 40 percent return on their investment. If, after assessing the redevelopment potential of a project, there is demonstrated profit potential, pull a developer into the deal early on in the planning process in order to help fund and manage the project. Utilizing the networking available through the **Gary Chamber of Commerce** could prove helpful.

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believes seeking help from the PRP should be one of the first courses of action to take when identifying and planning a site redevelopment.

**General liability insurance recovery** is a relatively recent concept of making claims from old general liability insurance policies held by PRPs prior to the days of writing environmental exclusions into insurance policies. There are firms that will do the research for the city to determine the viability of this method of insurance recovery. These services are often at no cost to the client city until monies are recovered.

### **CONCLUSION**

The City of Gary has the potential to create a new city of viable industrial concerns and to revitalize its crumbling interior. However, Gary has some serious barriers to brownfields redevelopment: its lack of capacity to collaborate and coordinate with other organizations in the city is a major roadblock to its successful use of many resources available. Working with the Gary Chamber of Commerce, the Gary Urban Enterprise Association, NWIBRP, The Airport Development Authority, and other local and state organizations would go a long way toward delivering the management and resources needed to take on the type of large-scale redevelopment envisioned by city leaders. The key to re-creating a vital Gary is collaboration and sharing management of resources and projects. As long as the city does not take advantage of the various partnerships available to it, it will not be able to redevelop its brownfields and other vacant and decaying properties.

Gary officials should seek out the advice of its brownfi. Howe

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**APPENDIX**



## ***Brownfield Redevelopment Strategies for Gary, Indiana***

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# ***Brownfield Redevelopment Strategies for Gary, Indiana***

***Great Lakes Environmental Finance Center  
Community Brownfield Financing Strategy Service***

***City of Gary, Indiana Workshop  
June 29, 1999  
The Genesis Center  
Genesis Convention Center  
1 Genesis Center Plaza  
(Located between Fourth and Fifth Avenues, on Broadway)***

## **WORKSHOP AGENDA**

7:30 - 8:45 a.m.	Site Visit by Car: Waterfront and Airport Development Zone (City Hall)	
8:45 - 9:00	Coffee & Sign-In	
9:00 - 9:30	Welcome-Mayor Scott King Introductions, workshop objectives, & agenda	Kirstin Toth
9:30 -10:00	Site Overview, brownfields redevelopment, background, city's overall development focus.	Ben Clement, Taghi Arshami, Mary Mulligan
10:00 – 10:10	Break	
10:10-11:45	<b>I. Overcoming the Barriers to Brownfield Redevelopment: A Step-By-Step Approach</b> <ol style="list-style-type: none"><li>1. Identify barriers to developing the site</li><li>2. Identify recommended options to overcome each barrier</li><li>3. Strategy Formation:<ol style="list-style-type: none"><li>a. Highest &amp; Best Use</li><li>b. Cleaning Up the Site</li><li>c. Financing (to be considered in detail in the afternoon)</li><li>d. Redevelopment Factors</li></ol></li></ol>	Mark Waterhouse
11:45- 1:00 pm	Lunch provided for participants	

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1:00 – 2:45 pm  
(with a break)

### **II. Financing Brownfield Redevelopment**

Paul Christensen

1. Assessment
2. Liability
3. State sources of funding
4. Federal sources of funding
5. Private funding sources

2:45- 3:00 pm

Wrap-up and next steps

Kirstin Toth