



Testimony of Christa Stoneham

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Subcommittee on Environment

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Chair Griffith, Ranking Member Tonko, and members of the Subcommittee,

I am honored to testify before you today as the Chief Executive Officer & President of the Houston Land Bank (HLB), a quasi-governmental nonprofit dedicated to transforming underutilized, environmentally compromised properties into thriving community assets. I also represent the National Brownfields Coalition and the Center for Community Progress, two organizations committed to ensuring brownfields are opportunities for redevelopment and economic progress, not barriers to growth.

Houston's history is one of American innovation and resilience. Founded on the banks of the Buffalo Bayou, our city grew rapidly at the turn of the 1900s with the discovery of oil, propelling Houston to becoming known as the "Energy Capital of the World." Housing the second oldest port in the United States, thousands of people settled in Houston near factories, railyards, and industrial corridors, fueling the city's and the Nation's economy with workers' ability to live where they worked. With a robust rail system and thriving port, Houston has led the world for over a century in the petrochemical industry and with American manufacturing. However, as the city has evolved, some neighborhoods have experienced localized decline, which has left abandoned, blighted, and hazardous conditions in former industrial or mixed-use areas of the city.

Because Houston has no formal zoning laws, many industrial sites sit adjacent to homes, schools, and community centers, exposing residents to environmental hazards, dangerous buildings, blight, and crime, including illegal dumping. Real or perceived liability and financial risk associated with these sites make attracting investment to improve their conditions difficult. Further, many of these properties are owned by absentee landlords or tangled in legal and financial complications that make redevelopment nearly impossible.

That's where the Houston Land Bank is uniquely equipped to step in. Unlike private developers, we are designed to take on complex, distressed properties and secure funding to strategically reinvest in communities that would otherwise be overlooked. To do this work, we rely on federal, state, and local partnerships—without them, the Houston Land Bank, like other land banks across the country, cannot fulfill our mission.

## **Leveraging Brownfield Grants and Unlocking Additional Investment**

The process of transforming a brownfield site is not only long, complex, and costly, but it also requires patience, technical expertise, and deep collaboration between public and private entities. Each site comes with its own challenges—some with decades of contamination, others entangled in legal and financial complications that make redevelopment nearly impossible for private investors alone. If a property is heavily polluted, the cost of remediation often exceeds its market value, deterring private investment. This is precisely why federal funding through the EPA's Brownfields Program is indispensable—it provides the financial bridge that makes revitalization feasible.

Houston Land Bank was awarded a FY 21 EPA Brownfields Assessment Grant of \$600,000 to systematically identify and assess contaminated properties across the City of Houston. This was our first EPA brownfields grant, and with this funding, we have worked with community stakeholders, developers, and local and regional government agencies to identify 100s of brownfields ready for investment, investigated over 20 sites owned by HLB or our partners, and have conducted reuse plans for over 50 acres of urban land, ensuring these properties will be ready for reuse once assessed and/or remediated.

But what makes brownfield programs so powerful is not just the initial funding for these investigations and planning activities—it's the ability to leverage those dollars into larger, long-term investments. That \$600,000 grant became the foundation for securing over \$13 million in additional funding, multiplying its impact by over 2,000%.

Through strategic partnerships and cross-sector collaboration, we leveraged the initial EPA grant to bring in:

- \$850,000 from the City of Houston to expand environmental assessment and predevelopment activities..
- \$5 million in EPA Cleanup Grant funds for full-scale remediation.
- An additional \$500,000 with FY24 EPA community-wide assessment funding to continue our brownfields program for the next three years
- \$7.3 million from the American Rescue Plan Act (ARPA) in partnership with Harris County for brownfield redevelopment projects.
- \$237,000 from Fannie Mae, Auburn University, and the Finding Home Initiative to support innovative approaches to reuse planning and housing integration.
- Over \$100,000 in direct EPA technical assistance from the Office of Brownfields and Land Revitalization for reuse planning in the form of site-specific market studies.

Brownfields redevelopment does not just address a single parcel of land—it raises property values, generates local tax revenue, and creates new economic opportunities for the entire region. With these resources, HLB has transformed some of Houston's most challenging brownfield sites into spaces that serve their communities. The following case studies demonstrate how brownfield funding—leveraged strategically—turns long-abandoned sites into places where people can live, work, and thrive.

## **Case Study: Project Yellow Cab – A Four-Year Journey from Blight to Housing**

For decades, the Yellow Cab headquarters was a critical part of Houston's transportation network—a hub where drivers fueled their vehicles, received dispatches, and kept the city moving. However, as the transportation industry evolved with the rise of ride-hailing services, traditional taxi operations declined. Eventually, Yellow Cab shuttered its doors, leaving behind a 6.8-acre property riddled with environmental hazards and structural decay. The once-busy site quickly deteriorated into a public safety and environmental concern. Illegal dumping surged, with contractors and individuals using the property as an unauthorized landfill, discarding everything from tires to hazardous materials. The vacant warehouses became magnets for criminal activity, further destabilizing the surrounding Near Northside community. Residents voiced their concerns, but the site's contamination, ownership complexities, and lack of private investment left it in limbo for years.

Recognizing both the challenges and the potential, the Houston Land Bank (HLB) took on the task of reclaiming and repurposing the property in 2020. This was no small undertaking—it required a multi-year, multi-agency effort to assess contamination, remediate the site, and plan for its transformation into a safe, vibrant residential community. The redevelopment took place in three phases.

### *Phase 1: Acquisition, Environmental Assessment & Remediation*

The transformation of the Yellow Cab site would not have been possible without critical public-sector support. The City of Houston, recognizing the importance of land banking and redevelopment, provided a \$5 million acquisition grant from the local Tax Increment Reinvestment Zone (TIRZ). This investment allowed HLB to acquire two of the three tracts and secure a contract on the remaining portion, setting the stage for environmental remediation and future housing development. As part of the acquisition deal, Phase I and Phase II Environmental Site Assessments (ESAs) were completed to determine the extent of contamination. Those assessments found serious challenges, including petroleum waste and underground storage tanks that had to be removed and 20 feet of contaminated soil that had to be excavated and disposed of before any new development could occur. They also included testing of groundwater and surrounding areas to ensure that contamination did not spread beyond the site.

Without these public investments, the environmental risks and financial burdens of remediation would have left this property unusable for years, if not decades.

### *Phase 2: Securing Funding & Strategic Partnerships*

Environmental cleanup is only the beginning of the process—securing the necessary funding for redevelopment is equally crucial. Leveraging the initial \$600,000 grant, HLB worked with a cross-section of partners to attract over \$13 million in additional funding. This included:

- \$60,000 of EPA Technical Assistance support from the Office of Brownfields and Land Revitalization to sponsor a reuse planning and market study, which would become the basis for the project's financial projections and proforma.

- \$7.3 million from the American Rescue Plan Act (ARPA), secured through a partnership with Harris County.
- \$5 million from a local affordable housing Tax Increment Reinvestment Zone (TIRZ) for site acquisition
- \$237,000 from HLB's Finding Home Initiative and other funding sources to support affordability and resilience in the redevelopment process. The Finding Home Initiative integrates resilient and energy-efficient housing designs, sustainable construction materials and energy-efficient features, and affordable financing solutions to help support affordability

This financial collaboration turned an environmental liability into a real estate opportunity, allowing HLB to develop housing rather than leaving the land vacant and underutilized.

### *Phase 3: Community Engagement & Visioning*

A key principle of redevelopment is ensuring that the end result reflects community priorities. HLB engaged local residents through a visioning process led by Perkins & Will Architects to ensure the site was developed in a way that reflected community priorities. This community engagement and visioning were amplified by our \$600,000 EPA Brownfields grant, which enabled HLB to extend the engagement and visioning timeline through the environmental cleanup process to ensure the public understood the environmental cleanup conducted on-site and confirmed their vision for redevelopment. The community's message was clear—they did not want another industrial development; they wanted to reclaim this site for homes, green spaces, and safety. This input shaped the project's master plan, ensuring that the site would serve longtime Near Northside residents rather than be sold to investors.

### *Impact and National Recognition*

Today, the Yellow Cab site is on its way to becoming a thriving residential community, demonstrating the power of brownfield funding and strategic reinvestment. The site's total property value has increased by nearly \$3 million, generating new tax revenue supporting local infrastructure and public services. On the site, HLB is developing 40 single-family homes, ensuring working families can achieve homeownership in a redeveloped, formerly blighted area. Harris County is funding the development of 120+ multifamily units, increasing access to housing for families earning up to 120% of the area's median income. The project has gained national attention, and has been featured in major urban development publications such as Next City, The Kinder Institute for Urban Research at Rice University, and the Center for Community Progress, a leading national organization dedicated to transforming vacant properties into community assets.

### **Case Study: From Waste to Worth – The Transformation of the Velasco Incinerator Site**

The Velasco Incinerator site is 4.56 acres of vacant land located along the banks of the Buffalo Bayou, just west of the Port of Houston and Houston Ship Channel. The site was formerly operated as a municipal incinerator facility by the City of Houston from the 1930s through the late-1960s. Municipal waste from across the city was brought to this site for incineration. The

byproduct of incineration is ash and fill material that did not burn, such as glass, brick, and metals. This ash and fill material was spread on the property during its more than forty (40) years of operation, resulting in the deposition of up to thirty-five (35) feet of incinerator waste on approximately two-thirds of the site. Due to the high cost of cleaning up environmental contamination, the site has been vacant for nearly sixty (60) years since the City abandoned it in the late-1960s.

In 2023, HLB stepped in to take on the cleanup of this site and unlock its potential to be incorporated in the transformation of Houston's industrial waterfront. For the past few decades, the city, Harris County, and local community organizations have been working diligently to transform Houston's East End waterfront into a park space interconnected to the larger Houston park system. With the award of a \$5 million Brownfields Cleanup grant from EPA in FY24, HLB will be able to finally clean up the former Velasco Street incinerator to integrate its reuse into the Buffalo Bayou East Sector park system and East End community revitalization plans. Once completed, this project will not only remove a major health hazard and blighted lot that has long attracted crime and illegal dumping but also create a public green space for families to enjoy.

### **America's Growth & Why Federal Investment in Brownfields is Critical**

Houston is on track to become the third-largest city in the U.S., yet hundreds of brownfield sites remain obstacles to development, slowing down housing production, job creation, and economic growth. Cutting federal brownfield funding now would stall progress, delay redevelopment, and leave contaminated land untouched—hindering the potential of communities across the country. The potential loss or delay of \$5 million in EPA Cleanup Grant funding for Velasco, combined with the \$500,000 EPA Assessment Grant awarded in FY24, could significantly slow down remediation efforts, leaving the site in limbo for years and preventing it from contributing to the local economy. The economic impact of stalled brownfield redevelopment would be far-reaching:

- Without brownfield funding, sites like Yellow Cab and Velasco would still be vacant, hazardous, and underutilized—dragging down property values and limiting investment.
- Without federal support, cities struggle to restore property values, which in turn suppresses local tax revenue needed for schools, infrastructure, and essential community services.
- Without EPA grants, which often serve as the first money in and the catalyst for further investment, contaminated properties remain untouched, delaying economic growth and limiting opportunities for businesses and families to thrive.

The Yellow Cab redevelopment is a testament to why sustained federal investment in brownfields is essential. This project took four years, multiple agencies, and over \$13.89 million in funding to bring to life. Without the EPA's initial investment, the site would have remained an environmental liability—yet another example of a contaminated property too complex and costly for the private sector to redevelop alone.

The lessons learned from Yellow Cab extend far beyond Houston. Every city in America has vacant, underutilized sites waiting for reinvestment that can be transformed into housing, health centers, grocery stores or any number of other assets to meet the unique needs of the

communities they are in. The land bank model, cross-sector funding opportunities, and public-private partnerships used to bring this site back to life provide a roadmap for cities nationwide. This redevelopment demonstrates the direct economic benefits of brownfield revitalization—from increasing property values to expanding housing availability and creating new tax revenue for local communities.

I urge Congress to protect and expand federal funding for brownfield redevelopment. The return on investment is not only in financial terms but in transforming communities that were once written off as lost opportunities. I strongly encourage this committee to safeguard and strengthen the EPA Brownfields Program and its grant funding by:

1. Ensuring long-term funding stability – Uncertainty stalls redevelopment. Cities need multi-year commitments to plan and execute large-scale revitalization projects effectively.
2. Expanding eligibility for small, community-driven projects – Not every brownfield site is a massive industrial complex. Smaller grants must be made accessible for local revitalization efforts that uplift neighborhoods.
3. Strengthening public-private partnerships – Federal funding is a powerful tool for attracting private investment. Programs incentivizing co-investment accelerate economic growth, making redevelopment faster and more impactful.
4. Expanding reuse planning—Often, the most difficult part of brownfield redevelopment is acquiring the land and reuse planning. In recent years, EPA has extended federal funding to support reuse activities with tremendous success. HLB has taken full advantage of these opportunities, using market studies, feasibility models, and infrastructure analysis to unlock the potential in properties like Yellow Cab and Velasco.

At Houston Land Bank, we believe that brownfield redevelopment is not just about restoring land—it's about honoring our city's past while building a stronger, more resilient future. With continued federal support, we can create more opportunities, open more doors, and ensure that every Houstonian—regardless of their zip code—has a place to live, work, and thrive. The impact of brownfield investment is real, measurable, and transformative. We have the tools, the partnerships, and the momentum—we just need the resources to keep going.

Thank you for your time and attention. I welcome your questions.