

Parks and Recreation



RED FIELDS TO GREEN FIELDS

Request: Support the revitalization of America's urban core through public-private partnerships and financing.

Community Value:

The Red Fields to Green Fields (R2G) initiative seeks to acquire vacant and financially distressed commercial properties and convert a portion of these spaces into urban parks and "bank" the remaining adjacent land for future sustainable development. The initiative recognizes the over-supply of vacant commercial space in U.S. cities that threatens to pull down cash-strapped banks and stall the nation's economic recovery. At the same time, the effort acknowledges the catalytic effect that urban parks can have in improving the economy, environment and health of a city.

Another supporting element to this initiative is Project Rebuild, which specifically addresses distressed commercial property by permitting private developers to invest in these projects. These features align extremely well with the R2G program concept. Such projects would induce private investment in local public plans, which would convert distressed and abandoned commercial and residential property to parks, recreation facilities, green space and land banks often linked to nearby, privately financed commercial and residential development.

Background:

The concept of R2G is to bring together private philanthropists and public entities, such as local and state governments, to fund and form land banks to transform vacant and foreclosed real estate back to productive use. The R2G strategy is to make low-cost loans available to public-private partnerships to buy distressed properties.

The project benefits are multi-fold:

- Banks and developers could remove "toxic assets" from their books, preventing bank failures as some \$2 trillion in commercial real estate mortgages mature.
- Create parks and open space and, in many cases, demolish buildings, producing jobs in planning, design and construction. Deconstruction can take an estimated 18 months and as much as 80 percent of the material can be salvaged or resold.
- Finished parks could become economic drivers, increasing property values in revitalized urban cores.
- Unproductive real estate would become productive community assets.



As a partner with the City Parks Alliance and Georgia Institute of Technology, the Speedwell Foundation has made grants to 11 cities across the U.S. The Phoenix Parks and Conservation Foundation was awarded a \$30,000 grant for the city of Phoenix to conduct a research study on the potential impacts the R2G initiative could have in Phoenix. A 50 percent match to the grant is funded by the Phoenix Parks and Preserve Initiative. The 10 additional cities completing studies are: Atlanta, GA; Cleveland, OH; Denver, CO; Philadelphia, PA; Miami, FL; Wilmington, DE; Detroit, MI; Hilton Head Island, SC; Houston, TX; and Los Angeles, CA.

The Phoenix R2G research study team is comprised of city of Phoenix departments, Arizona State University (ASU), the ASU Herberger Institute for Design and the Arts and the Phoenix Parks and Conservation Foundation.

The final study includes an analysis of potential economic, environmental, social and health impacts. R2G partners will use the 11 cities' studies to make a case to federal policymakers for creating a \$200 billion, zero percent interest Public Private Investment Program - or Term Asset-Backed Securities Loan Facility - like land bank and parkland acquisition fund for small- and mid-sized banks, facilitated by the banking system and backed by the Federal Reserve.

The fund would help finance acquisition of underused developed urban real estate to be held as green space. An additional \$20 to 30 billion could be available for property demolition, construction and ongoing park maintenance, raised from a combination of public, private and non-profit sources.

The city of Phoenix urges support for the R2G initiative and an executive order to create a federal revolving loan fund program that assists municipal governments and non-profit entities in the thoughtful creation and rejuvenation of city parks and trails, which will provide far-reaching economic, social and health benefits to a large number of Americans.

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For more information, visit phoenix.gov/congress