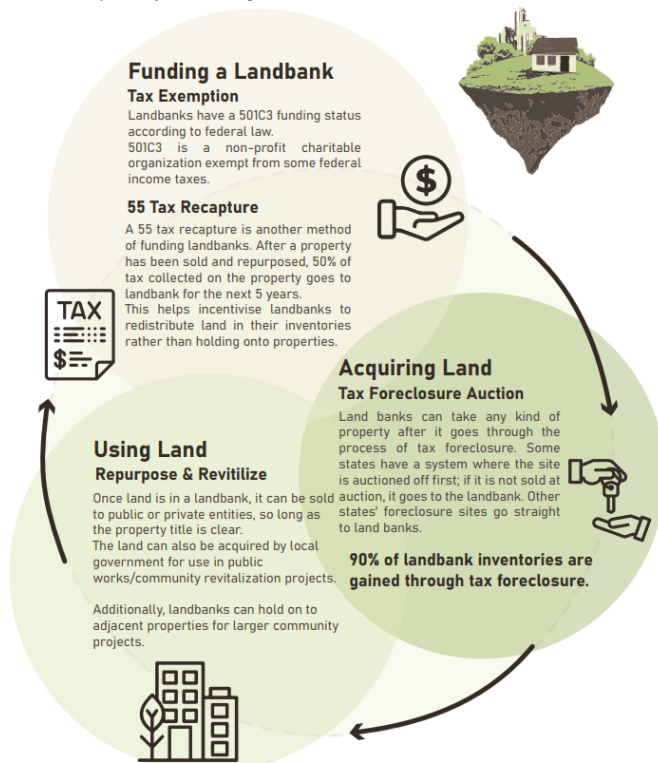


# Banking on Brownfields

Can land banks move NJ's most neglected sites towards a positive outcome?

By Cailyn Bruno, PG, LSRP

New Jersey boasts a robust real estate market and multiple programs offering funding and incentives for redeveloping brownfields. Despite these advantages, many potentially contaminated, underutilized sites persist in our communities. Common reasons for this that we hear at the NJ Brownfields Assistance Center @ NJIT include perceived risks, lack of capacity and knowledge, and disposition challenges. To address these concerns, a relatively new solution has emerged for NJ communities: **land banking**.



In 2019, NJ passed legislation granting municipalities the authority to establish land banks. These entities can acquire, manage, and repurpose vacant, abandoned, or blighted properties, including brownfields—former commercial or industrial sites that local governments were hesitant to foreclose on due to liability worries. Land banks, after conducting due diligence and “all appropriate inquiries”, can acquire these sites through foreclosure to achieve protection from environmental liabilities. Some properties might carry intricate environmental histories and cleanup liens owed to the state, which a land bank, in collaboration with the NJDEP, can address or eliminate. Moreover, land banks can access resources to assess and clean up sites, rendering them more attractive for the private market.

An added advantage of land banks is their potential for fostering equitable community outcomes. Operating as public entities, they forge strategic partnerships to achieve diverse community goals—ranging from affordable housing and urban infill to green stormwater infrastructure, open spaces, and economic development. These community-driven entities prioritize optimal outcomes over merely fetching the highest sale price. Successful brownfields redevelopment hinges on comprehensive area-wide planning rather than solely fixating on a single site. Land banks uniquely enable the creation of a vision from a community or neighborhood-scale perspective, leveraging their partnerships and subsequently translating it into a robust planning framework. States like Georgia, New York, Michigan, and Ohio have witnessed significant success with land banks (source: [Center for Community Progress](#)).

Presently, New Jersey houses one land bank—the [Newark Land Bank \(NLB\)](#)—operated under Invest Newark, Newark's nonprofit economic development corporation. NLB has already sold 41 properties, primarily

comprising side lots and vacant residential spaces. To assist municipalities in adopting land banks, the Center for Community Progress and the Housing Community Development Network of NJ established the [NJ Land Bank Launch Scholarship](#), offering guidance and technical assistance. Additionally, the NJIT Center for Community Systems collaborates with the Center for Community Progress to research the potential opportunities land banking presents for local governments grappling with brownfields challenges.

**Could land banking be the perfect mechanism for addressing your community's brownfields?** The NJ Brownfields Assistance Center @ NJIT can connect you with the right people and help determine if your inventory could benefit from implementing a land bank. Reach out to us at [njbrownfields@njit.edu](mailto:njbrownfields@njit.edu)!

Check out this short how-to video, "[How to use the Power of Land Banks for Brownfield Redevelopment](#)" and this [infographic](#) for more information.