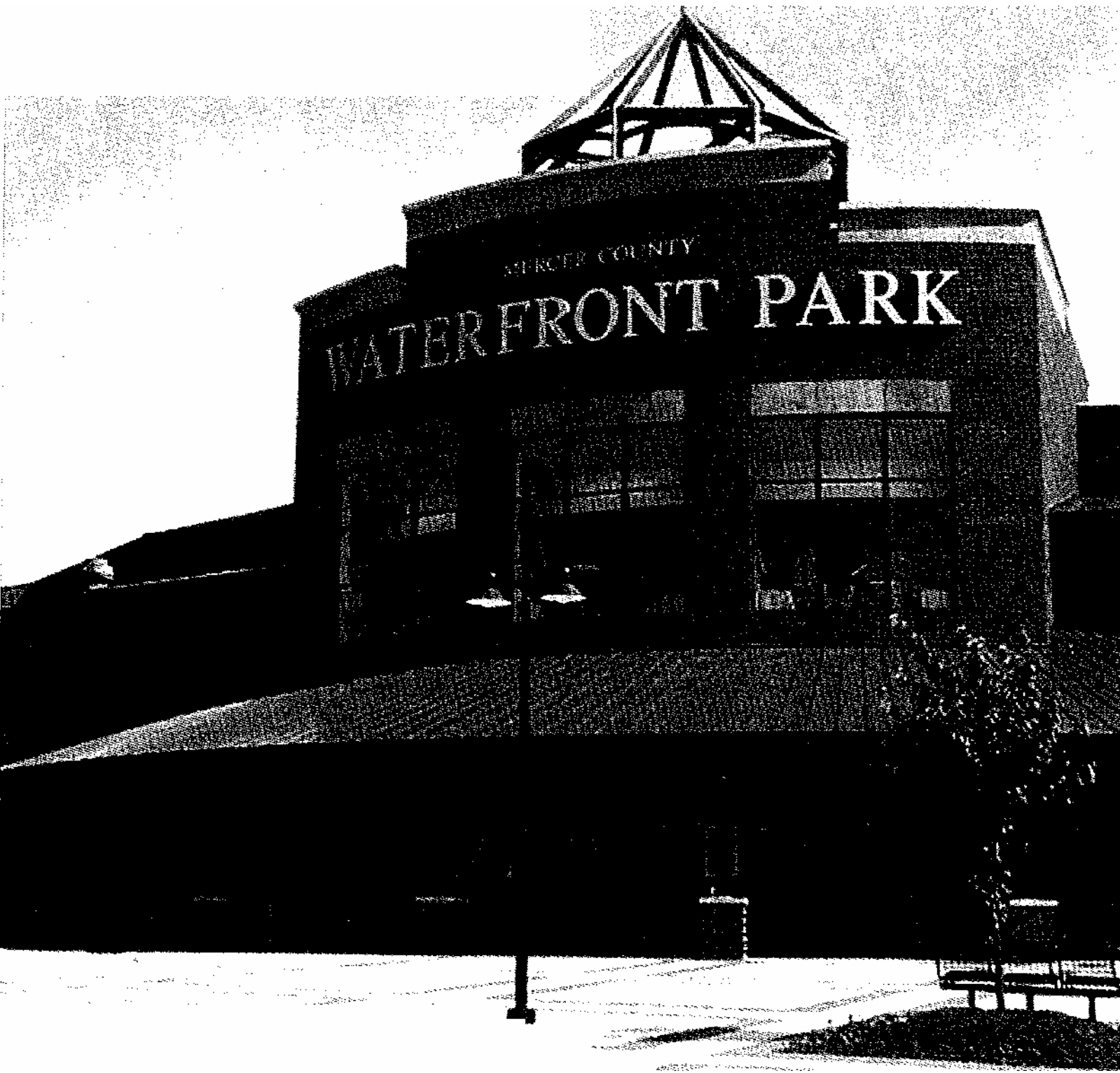


New Jersey Brownfields



A New Opportunity

Brownfields Resource Guide

The New Jersey Brownfields Redevelopment Task Force

The New Jersey Brownfields Redevelopment *Task* Force is responsible for overseeing efforts to redevelop brownfields statewide.

Created as part of the Brownfield and Contaminated Site Remediation Act, which was signed into law by Governor Christine Todd Whitman on January 6, 1998, the Task Force is comprised of 11 members: six public members and five state agency representatives.

Governor Whitman appointed Jane M. Kenny, Commissioner of the Department of Community Affairs, as Chair of the Task Force.

The Task Force's major responsibilities are to:

Q *Coordinate state policy* on brownfields redevelopment, including incentives, regulatory programs, provision of infrastructure, and redevelopment planning assistance to local governments; Q *Inventory, prioritize and actively market* brownfields sites to potential developers; Q *Evaluate* how current public incentives are doing in encouraging the remediation of and redevelopment of brownfields; and O *Make recommendations* on ways to better promote the redevelopment of brownfields.

The law established the Office of State Planning as staff to the Brownfields Redevelopment Task Force.

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Dear Citizen,

Contaminated properties blight the landscape and thwart economic development in many older industrial areas of New Jersey's cities, towns, suburbs and rural communities.

A key part of Governor Christine Todd Whitman's smart growth initiative is the development and redevelopment of our urban areas and our brownfields sites. This is just as critical to New Jersey's economy and quality of life as the preservation of our open space, farmland and historical treasures.

A state law enacted in 1998 simplified environmental cleanup requirements and created an array of grants, low-interest loans, a bond fund, tax abatements and other incentives to jump-start the redevelopment process.

In addition to numerous state incentives, there are several federal programs to assist with brownfields redevelopment. Both municipal and private developers can benefit from these initiatives.

New Jersey's brownfields program isn't housed in a single agency. Rather, elements of the program are administered by the state agencies best able to provide their specialized expertise.

This *Brownfields Resource Guide* explains how the brownfield redevelopment process works in New Jersey, describes the federal and State incentives, and provides contact information for each.

Since 1997, an interagency team of state agency representatives has met regularly to discuss these important issues. The Task Force looks forward to working with the team on redeveloping our idled sites. New Jersey's Brownfields Program offers renewed hope for such sites - they no longer pose an obstacle to development.

Brownfields present an opportunity to redevelop and capitalize on New Jersey's abundant resources. I hope this *Resource Guide* helps you benefit from this program.

Jane M. Kenny (j)
Chairman

New Jersey Brownfields Redevelopment Task Force
Commissioner, Department of Community Affairs

Brownfields: What are they?

New Jersey's Brownfield and Contaminated Site Remediation Act defines brownfields as "any former or current commercial or industrial site that is currently vacant or underutilized and on which there has been, or there is suspected to have been, a discharge of contamination."

In reality, this translates to:

Q an eyesore in your neighborhood; Q a breeding ground for crime; Q a potential health risk; Q a loss of jobs and tax revenue.

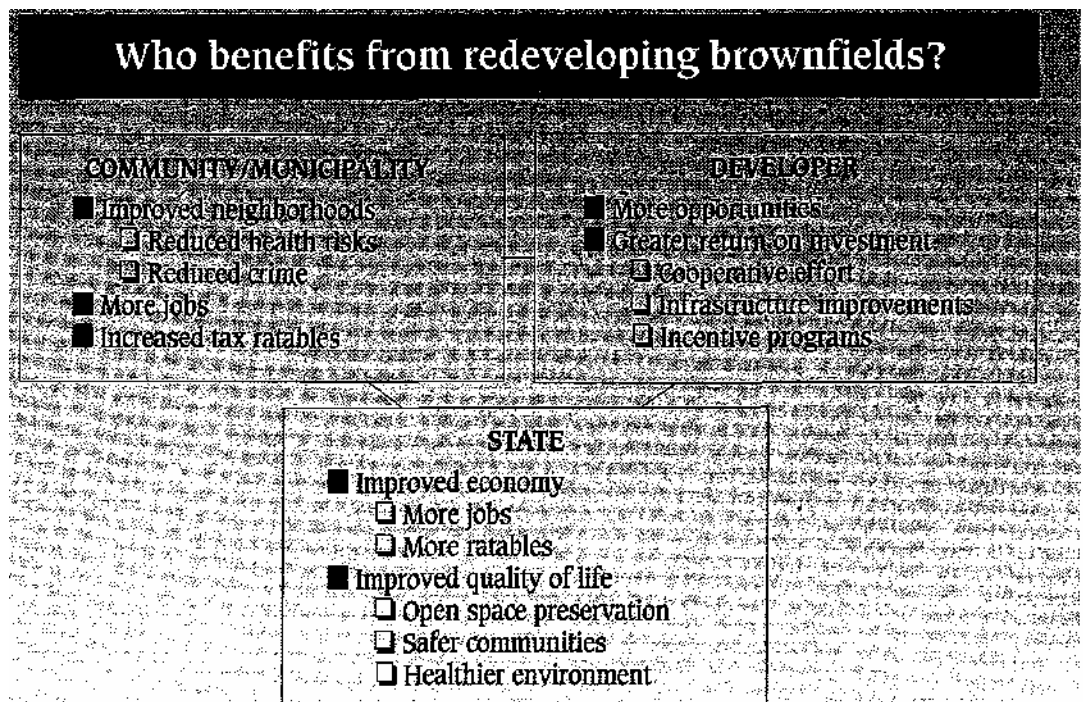
The definition also suggests that brownfields are:

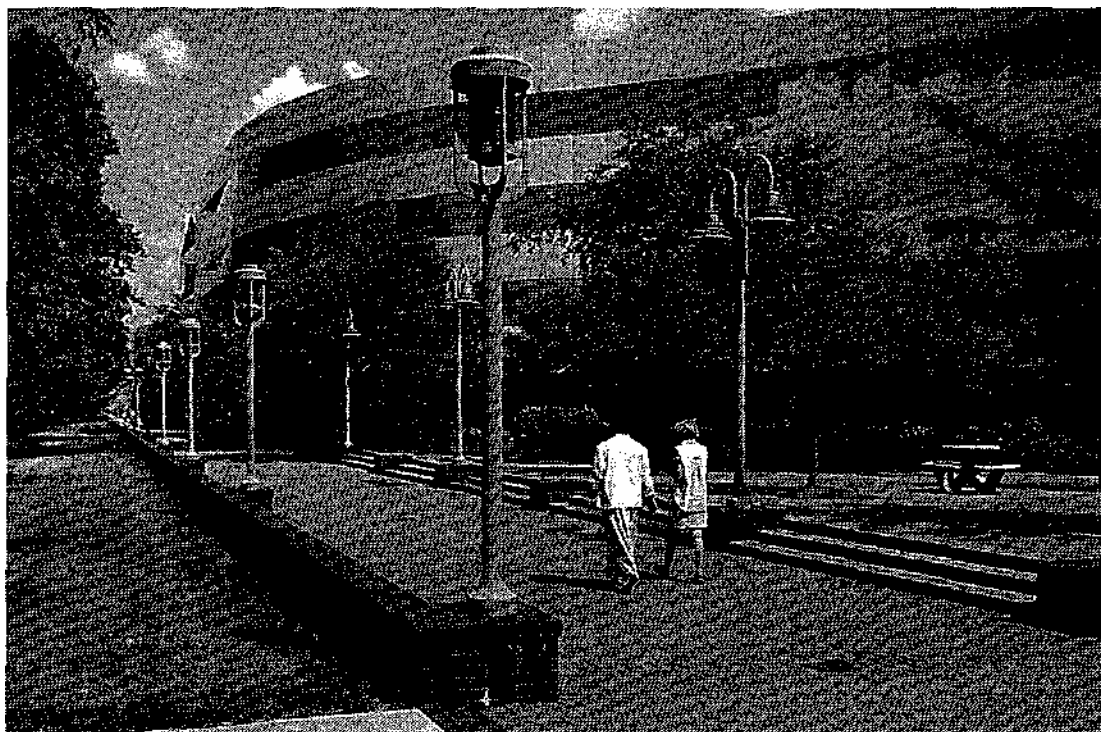
- G not limited to urban areas, since sites requiring remediation exist in urban, suburban, and rural areas; and
- Q not limited to vacant properties, since operating properties are subject to the same regulatory programs, and the types of constraints normally associated with vacant brownfields may bar expansion or redevelopment at active sites and lead to site abandonment.

In addition, brownfields come in all shapes and sizes; examples include but are not limited to:

- Q a former gasoline station;
- Q a former landfill;
- Q a multi-acre former manufacturing facility.

In general, brownfields deplete New Jersey's economy and detract from New Jersey residents' quality of life.





Riverview Plaza in "Trenton

Brownfield's Redevelopment Law

Overview

Brownfields redevelopment is a relatively recent, complex and dynamic area of public policy. In recent years, government at all levels - local, state and federal - have been grappling with the perplexing liability, environmental, and cost issues posed by brownfields reclamation, and have taken steps to resolve them.

New Jersey is a leader in brownfield redevelopment. In 1993, the Industrial Site Recovery Act (ISRA) added flexibility to the remediation process by allowing remediation standards to vary depending upon the planned type of land use. In addition, ISRA created the Hazardous Discharge Site Remediation Fund (HDSRF) which provides grants and low-interest loans to municipalities and private entities. Municipalities may qualify for up to \$2 million per calendar year to perform remediation activities on properties for which they hold tax sale certificates or own through foreclosure or by voluntary conveyance for redevelopment purposes. Grants are available to municipalities for all phases of investigation of these properties and, should they decide to remediate the sites, low-interest loans are provided from the fund.

Over the years, various laws were enacted adding additional incentives and municipal tools to attract private investment in brownfield sites, culminating with the passage of the Brownfield and Contaminated Site Remediation Act (BCSRA) signed into law on January 6, 1998. The law amends key statutes including ISRA and adds new provisions that advance brownfields reuse as part of a comprehensive program for urban redevelopment. Liability protection including no further action letters¹ with a covenant not to sue² is provided to non-liable developers who remediate property under the oversight of the New Jersey Department of Environmental Protection (DEP). In addition, remediation standards are now categorized as restricted, limited restricted, and unrestricted reuse remedies; and, working with DEP, developers are able to choose the cleanup they perform. Finan-

cial incentives include 25% matching grants from the HDSRF to qualified private entities to perform limited restricted or unrestricted reuse remedies and for innovative technology remedies to encourage these types of cleanups. BCSRA also provides tax incentives to redevelop sites, offering reimbursement of up to 75% of cleanup costs from newly created taxes to the state, and expanding the property tax abatement that municipalities can offer.

State Laws

In New Jersey, the regulatory framework is defined by a series of statutes and regulations, including the *Spill Compensation and Control Act (N.J.S.A 58:10-23.11 etseq.)*, the *Industrial Site Remediation Act (N.J.S.A. 13:1k-1 etseq.)*, the *Brownfield and Contaminated Site Remediation Act (P.L 1997, C.278)*, Oversight Regulations (N.J.A.C. 7:26C), Technical Requirements for Site Remediation (N.J.A.C. 7:26E) as well as a host of others. The New Jersey Department of Environmental Protection (DEP) assists the USEPA in cleanup activities at Superfund sites in New Jersey.

Federal Laws

The current regulatory framework affecting brownfields is defined primarily by two pieces of federal legislation: the *Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA)*, amended in 1986 as the *Superfund Amendment and Reauthorization Act*, and the *Resource Conservation and Recovery Act*. The US Environmental Protection Agency (EPA) is the administrative agency charged with enforcement of this legislation.

The Hazardous Waste Remediation Act (HWRA) provides that if a site has been remediated in accordance with the regulations, a covenant not to sue is issued with the no further action letter.

covenant not to sue - an agreement between DEP and the non-labile person conducting the remediation that releases them from liability to perform any additional remediation. DEP promises not to sue the subsequent non-labile owner(s) to require further cleanup due to newly discovered contamination or a change in standards.



Until 1989, Magic Marker Corp. manufactured solvents and inks at this seven-acre site. Prior operations included manufacturing of industrial batteries from 1947 to 1979. Trenton has been very aggressive in its efforts to remediate this site, receiving \$200,000 in grants from the Hazardous Discharge Site Remediation Fund for environmental investigations. Additionally, the USEPA, working with the city, local community and NJDEP has performed a number of remediation actions including removing a wide range of chemicals from the building prior to the city demolishing the structure.

Steps to Successful Redevelopment

- Create a "Community Vision"

A community-based planning process, which involves the community in decision making from the outset, will ensure that the plan addresses community needs and has its support. Involving the community in remedial and reuse decisions also helps ensure environmental equity.

Community-based planning provides an opportunity to establish a long-term dialogue between residents and commercial or industrial business leaders.

- Develop a Plan

The plan should target areas for new development, redevelopment, and open space, and should be consistent with the *New Jersey State Development and Redevelopment Plan*.

The plan will highlight the advantages of brownfield areas, which often have access to water or transportation links, as well as to infrastructure.

- Establish an Inventory

Brownfield sites may be either publicly or privately owned, but identifying sites, they should be categorized according to their marketability, or tier.

Q Tier 1 sites pose some contamination but are economically viable.

Q Tier 2 sites are less marketable due to higher real or perceived contamination risks or other factors such as size, but are otherwise attractive for redevelopment.

Q Tier 3 sites have high real or perceived contamination risk and/or little economic potential even when cleaned, due to several factors including lack of access or poor location.

In addition to marketability, redevelopment will depend on the needs of the community. It is advisable to consider marketing possibilities for sites at this early stage in the process.

- Develop a Marketing Plan

Promotion of the city is essential to the redevelopment process. Market the city first, then the specific site.

Be familiar with the various financial incentives available. Know how to combine these programs to make a redevelopment project happen.

Programs are available to identify and remediate sites.

New Jersey Smart Growth Planning Grant Program

\$8 million in State funds is available from the NJ Department of Community Affairs (DCA) for local planning assistance. These grants provide financial support for New Jersey's municipalities and counties to develop plans that will lead to more livable and sustainable communities.

The National U.S. Environmental Protection Agency Brownfields Assessment Demonstration Pilot program

❑ \$200,000 grants to municipalities for site identification, site assessment, site characterization, and site remediation, planning and design for areas that have an actual or threatened release of a hazardous substance or contaminant.

❑ Thirteen cities and six counties in New Jersey are currently USEPA Brownfields Assessment Demonstration Pilots.

Tools for Redevelopment

New Jersey provides various incentives to encourage redevelopment of brownfields. These incentives should be viewed as "tools" which municipalities can use to rebuild their communities.

The Voluntary Cleanup Program provides a cooperative approach to obtaining oversight from the NJ Department of Environmental Protection (DEP). Under this program, the party conducting the cleanup enters into a non-binding agreement—a Memorandum of Agreement (MOA)—with DEP to establish the scope and schedule of remedial activities, ranging from a Preliminary Assessment to a Remedial Action, if necessary. The agreement is not an enforcement document and does not require financial assurances or penalties.

Once a municipality or developer has entered into an agreement with the State, they may apply for any of the various incentives.

Hazardous Discharge Site Remediation Fund (HDSRF)

The HDSRF provides grants and low-interest loans to municipalities and/or private entities for environmental site investigation and remediation of contaminated properties under two programs:

Municipal Program	Private Program
Up to \$2 million per year	Up to \$1 million per year
<ul style="list-style-type: none"><input type="checkbox"/> 100% Grants for Investigation<input type="checkbox"/> Low-interest Loans for Remediation To be eligible, the municipality must adopt a development/redevelopment plan or be able to demonstrate a realistic opportunity for redevelopment of the subject site. The municipality must minimally hold a tax sale certificate for initial investigation of the site; and must own the property to be eligible to perform further investigation or remediation. Loans for remediation are 2 points below federal discount rate with a 3% floor.	<ul style="list-style-type: none"><input type="checkbox"/> 50% Innocent Party Grants For properties acquired prior to December 31, 1985, and where there has been a discharge of a hazardous substance that was not used by the person who acquired the site, or any person with permission from the applicant to use the site.<input type="checkbox"/> 25% Matching Grants (up to \$100,000) For businesses or individuals with a net worth of less than \$2 million who propose using approved innovative technology for site remediation, or who implement a remedy that uses unrestricted or limited restricted use standards.<input type="checkbox"/> Loans at federal discount rate with a 5% floor.

Contact NJ Department of Environmental Protection

Redevelopment Agreement

A developer may enter into a *redevelopment agreement* with the State Treasurer and Secretary of the Commerce and Economic Growth Commission, that allows for reimbursement of up to 75% of the cost of remediation from newly created State tax revenues. Taxes include corporate business tax, sales and use tax, and business, partnership, or S corporation income tax. The developer must agree to, and perform, any work necessary for the remediation of the contaminated area located at the site of the redevelopment project. To be eligible the project must be an integral part of the local redevelopment strategy.

Contact NJ Commerce and Economic Growth Commission

Urban Site Acquisition Program

The *Urban Site Acquisition Program* (USA) provides low interest, short-term loans to facilitate acquisition and site assembly of properties within the "UCC-eligible" municipalities. Municipalities must have a viable redevelopment plan for the site. Predevelopment costs including plan development are eligible. The USA Program does not finance projects alone. Municipalities must leverage funds from other public and private sources. Loans are repaid once the developer has permanent financing in place.

In addition, grants of up to \$1 million may be available under certain circumstances, for acquisition and/or remediation.

Contact NJ Redevelopment Authority

Property Tax Abatement

- ❑ *Environmental Remediation Sites* (ERS) are created by municipal ordinance, offering tax abatements of up to 10 years. In exchange, the owner/developer must remediate the property. The municipality receives incremental payments in lieu of taxes (PILOT) based on pre-remediation assessment.
- ❑ *Redevelopment Areas* are created when a municipality designates an area blighted or in need of rehabilitation. The designation allows the municipality through a judicial process to exercise condemnation and eminent domain powers, designate developers, and offer local property tax abatement.

"The Urban Coordinating Council works with designated areas to implement neighborhood-based plans and strategies for revitalization. Currently 16 urban neighborhoods have earned UCC designation.

Urban Enterprise Zone Program

- ❑ *Urban Enterprise Zones (UEZs)* are State designated and located in cities that have suffered economically. There are presently 27 UEZs in New Jersey. Benefits to businesses in these zones include:
 - ❑ reduced sales tax (3% vs. 6% elsewhere in the state)
 - ❑ sales tax exemptions, a one-time corporation tax credit for hiring of designated employee groups, and
 - ❑ subsidized unemployment insurance costs.

Contact NJ Commerce and Economic Growth Commission

Business Employment Incentive Program

- ❑ *Business Employment Incentive Program* encourages businesses to locate and expand in New Jersey by offering grants to companies with projects creating new jobs. To be eligible, the project must create a minimum of 25 jobs in qualified urban-aid municipalities and 75 jobs elsewhere. Grant awards range from 10% to 80% of newly created State income tax for up to 10 years. Awards are based on various criteria, including location on a brownfield site.

Contact NJ Economic Development Authority

Financing Redevelopment Projects

There is a wide range of programs available to assist in the financing of redevelopment projects,

For commercial or industrial projects:

The New Jersey Economic Development Authority (NJEDA) offers low-interest financing through bonds, loans and loan guarantees. As part of its efforts to support urban redevelopment initiatives, funding is available to community economic development groups, developers and businesses for urban real estate development projects. NJEDA also works with municipalities, developers and investors in determining the feasibility of undertaking major urban redevelopment projects.

The New Jersey Redevelopment Authority (NJRA) invests financial and consulting resources in redevelopment projects and plans that will assist in revitalizing the 68 UCC-eligible communities. The NJRA offers a host of financial services, including direct loans, loan guarantees, and equity investments. Its primary interest is to ensure that projects are urban focused, neighborhood based, and investment driven.

The Office of Sustainable Business within the New Jersey Commerce and Economic Growth Commission offers a Sustainable Development Loan Fund, which provides low-interest loans of up to \$250,000. The fund is targeted to assist environmental companies or companies wishing to improve the environmental quality of their operations, giving preference to firms that locate in urban and town centers near existing infrastructure and mass transit.

For residential projects:

The New Jersey Housing and Mortgage Finance Agency (NJHMFA) creates and implements programs that offer tax credits, low-interest financing and subsidies for the rehabilitation and new construction of affordable rental, homeownership, mixed use and special needs housing. NJHMFA is dedicated to maintaining urban centers as viable places to live and work through the rehabilitation of abandoned properties.

For open space projects:

The Green Acres Program provides assistance to municipalities to protect open space for conservation or recreation. The Green Trust Planning Incentive funding awards 25 percent grants and 75 percent loans to local governments to acquire lands identified in its open space and recreation plan.

Additional Programs

- The Council On Affordable Housing (COAH) within DCA encourages redevelopment to provide low and moderate income housing in older communities. The regional contribution agreements (RCAs) whereby one municipality may transfer up to 50 percent of its affordable housing obligation to another municipality within its housing regions for a minimum of \$20,000 per unit are available as a funding source for rehabilitation, conversion, adaptive reuse and/or new construction of brownfield sites.
- The Office of State Planning (OSP) within the DCA provides redevelopment-planning assistance to local governments through its Planning Assistance Unit. The staff participates in hundreds of meetings, presentations, and other contacts with local governments, organizations and citizens each year within the area to which they are assigned. In addition, as staff to the Brownfields Redevelopment Task Force, the office serves as a clearinghouse for New Jersey's brownfields program, providing interagency coordination and disseminating program information.
- The Unsafe Building Demolition Loan Program within the DCA provides low-interest loans to municipalities. Program regulations give priority to demolition projects in redevelopment areas.
- The Department of Law and Public Safety, Division of Law, as counsel to the DEP, can assist developers of brownfield sites with legal issues, such as liability of landowners.
- The Office of Pollution Prevention and Permit Coordination within the DEP assists new facilities by coordinating and identifying all permits required by the Department and developing a schedule for permit acquisition.
- The New Jersey Environmental Infrastructure Trust in partnership with the DEP provides low-interest loans to municipalities to finance brownfield projects that can demonstrate a water quality benefit.
- The New Jersey Department of Transportation (DOT) has several programs that provide assistance to municipalities.
 - Q The Local Aid for Centers Program provides assistance for non-traditional transportation improvements in "designated centers" under the State Development and Redevelopment Plan.

Three Local Aid Programs fund local roadway improvements: the Municipal Aid Program, the Discretionary Aid Program, and the Urban Aid Program for improvements in distressed urban communities.
 - CJ Goods Movement Capital Program provides assistance to make improvements to railroad tracks.
 - Q The Access to Highways Program provides assistance for right-of-way construction of sidewalks, curbs, and bus shelters; and the Aviation Program is for preservation of public use airports;
 - Q The Transportation Management Associations (TMA) Program provides technical support to local TMA offices on transportation and commuting problems.
 - Q The Transportation Enhancements Program provides funds to municipalities to improve the travel experience and quality of life.

Q The Local Planning Assistance Program, in which DOT partners with municipalities in developing Access Management Plans, local circulation plans and other transportation-related studies.

DOT also reviews transportation improvements for federal programs, including:

- Q the Metropolitan Planning Organization-reviewed Program, which funds improvements for principal arterials, state highways, interstates, bridges, congestion management, and transit capital;
- Q the National Highway System Program, for improvements to major urban arteries; the Bridge Replacement/Reconstruction Program;
- Q the Bicycle Transportation and Pedestrian Walkways Program to construct bikeways and walkways;
- Q the Rail Freight Improvement Program, for railroad rights-of-way as part of the Congestion Management and Air Quality strategy; and
- Q the Intermodal Funding Program for capital investments to serve intermodal movement of goods or passengers.

NJ TRANSIT funds capital improvements to bus and rail transit systems, including infrastructure renewal and response to growth of existing transportation systems.

FEDERAL PROGRAMS

The Federal Empowerment Zone and Enterprise Community Program offers benefits that include the Brownfields Tax Incentive to clean up and redevelop contaminated industrial sites; relaxed eligibility rules for bonds and expensing (allowing a broader range of businesses to qualify for special tax-exempt, private-activity bonds to promote commercial investment); and public school renovation tax credits to promote the creation of more rigorous schools and job-skilled youth. In New Jersey, the Camden/Philadelphia port and Bridgeton/Vineland are designated empowerment zones; and Newark/Elizabeth has an enterprise community designation.



The City of Trenton has been highly successful in its planning and redevelopment efforts. One of the first EPA brownfield pilot cities, it was named an EPA "Brownfield Showcase Community," one of 16 cities across the country to attain the distinguished designation.

Bakery Village - The former Ward Baking Company

East Orange-Newark border

Bakery Village is an affordable housing complex located on the East Orange-Newark border. The former site of the Ward Baking Company has been converted into an apartment complex by the RPM Development Group of Montclair. The group, which specializes in the resuscitation of old buildings

in distressed areas, purchased the company in 1994 for \$100,000 at an auction. Before reopening in September 1999, the 250,000-square-foot complex had remained idle for 13 years but it now houses 125 tenants in affordable and spacious apartment units.



The \$14 million project was completed with funding from a number of organizations. In the early stages of the project, a \$500,000 low-interest bridge loan was obtained from the Essex County Community Development Block Grant program. County officials view this assistance as an investment of government resources. A vacant eyesore has been given new life and a place back on the tax rolls.

The New Jersey Housing and Mortgage Finance Agency awarded RPM with a \$ 1.5 million tax credit. The credit has netted RPM \$10 million for the project and it will be used as a write-off against its taxes for each of the next 10 years. Additional funding was provided by the Department of Community Affairs through a \$2.1 million low-interest loan from its balanced housing program. The state was eager to invest in Bakery Village because of the sites multi-use capabilities. In addition to offering low-income housing, the complex has a community center, day-care facilities, and an after-school program.

RPM was also awarded 30-year tax abatements from East Orange and Newark. Under the agreement, RPM will pay seven percent of the apartment rent instead of taxes. Based on the existing rents, the two cities would split \$75,000. Rented commercial space on the first floor of the complex will give East Orange an additional \$35,000 hi lieu of taxes. The tax abatement was granted as an incentive to RPM because the city realizes the risk that is associated with doing a major rehabilitation in an urban area.

FOCUS 2000 - Perth Amboy Redevelopment Plan

The *city* of Perth Amboy, as part of its FOCUS 2000 plan, is involved in the redevelopment of several brownfields sites. The primary goal of this plan is to provide the expertise, support, and vision to empower the city to reclaim and reuse abandoned and contaminated properties in three main areas of the city that cover over 677 acres of land. Perth Amboy has partnered state, federal, and local dollars to revitalize and return these properties back to use, thereby improving property values, expanding the tax base, and providing employment opportunities. Current sites scheduled for and in the process of redevelopment include MacWilliam Stadium, Rector Street Associates Property, 102 Smith St., and the DuPont Chemical Factory.

MacWilliam Stadium

The Perth Amboy Board of Education purchased the former site of an old city baseball stadium and play area for \$2 million. The city received a \$102,019 grant from the state's Hazardous Discharge Site Remediation Fund Program to cover the site investigation and the Board of Education paid for the remedial investigation. The construction of the schools and parking area will serve as the remediation for the contaminants identified by the preliminary assessment. Construction is set to begin on a new \$17 million elementary school equipped with a multi-purpose field and play areas.

The \$2 million proceeds will be used by the city to build a new recreation facility at Rudyk Park. The park's features will include a lighted baseball stadium, soccer field, basketball courts, play areas, paths for biking, walking and jogging, a concession stand, and restrooms. The funds will also be used to cover the purchase of 11.5 acres adjacent to its existing youth complex. This site will have a new youth soccer/football field, a fishing pier at Willow Pond, play areas, and a path for biking, walking and jogging.

DuPont Chemical Factory

The city of Perth Amboy has converted a six-acre brownfield site to the future home of a new \$30 million Middlesex County Vocational and Technical High School campus. The site used to house a DuPont Chemical Factory and a cable works manufacturing firm. These neighborhood eyesores have been abandoned and in poor condition for the past 35 years. As part of FOCUS 2000, Perth Amboy has been able to secure over \$1 million from the Hazardous Discharge Site Remediation Fund to perform preliminary assessment, site investigation, and remedial investigation on the properties. A \$2 million Economic Development Initiative Grant for demolition and asbestos removal was obtained from the U.S. Department of Housing and Urban Development.

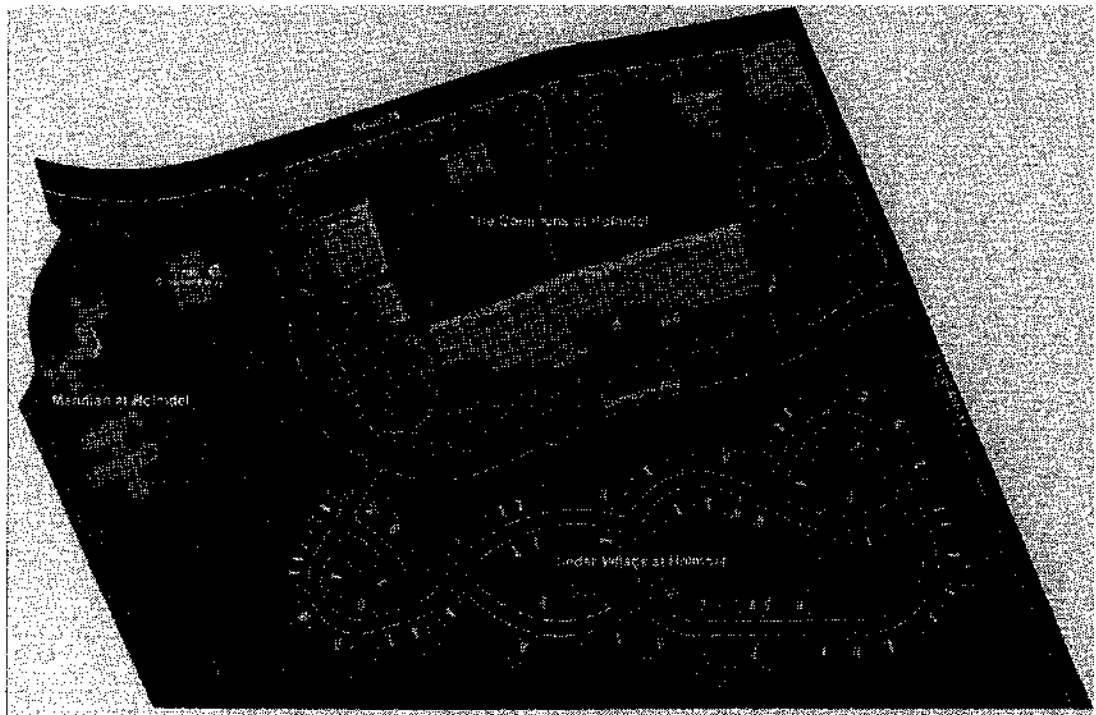
Lily Tulip Plant

Holmdel

For nearly 40 years, the Lily Tulip Plant, a million-square-foot facility, was a manufacturer of Dixie cups. Since the closing of the plant in 1990, the building had stood empty for 10 years. This blight to the Holmdel community, contaminated with asbestos, underground storage tanks, oil, solvents, and ash piles, was in need of a major cleanup project. Enterprising developers at Caydenzar Associates in Rahway saw this project as a great opportunity to convert the factory into mixed-use development and decided to assume the cleanup responsibilities.

In 1998, the township rezoned the site from industrial use to a mix of commercial and residential uses, and then began negotiations with Caydenzar Associates. The developer has since demolished the building, and is remediating the contaminated site in preparation for the upcoming redevelopment. The new site will include an office building, a retail center with 20 stores and restaurants, 158 units of adult housing, 110 assisted living units, and a 130-bed nursing home. The buildings will be faced in brick and stone. Landscaped buffers and walkways through the retail area will connect to the residential and office sites.

The developers are spending \$2 million to clean the entire site, and have invested an additional \$3 million in road improvements. The rehabilitation of the site is made possible by the redevelopment agreement. This provision of New Jersey's brownfields law lets developers apply to recoup up to 75 percent of the remediation costs once the project generates tax revenue that exceeds the cost of the cleanup.



Redeveloped Gas Station and Convenience Store

Pemberton Township

Located in a state-designated Urban Enterprise Zone, this former residential gas station on Pemberton-Browns Mills Road was first opened in 1987 and abandoned around 1991. In 1992, the Department of Environmental Protection confirmed the presence of soil contamination but found it not dangerous enough to warrant a publicly funded cleanup. The site was not added to the known contaminated site list but eventually underwent a tax foreclosure by Pemberton Township. The presence and unknown condition of underground storage tanks contributed to its sale and redevelopment constraints.

Pemberton Township was awarded municipal grant funding from the Hazardous Discharge Site Remediation Fund to conduct preliminary assessment, site investigation and remedial investigation actions for soil and ground water contamination. Following the assessment and remediation actions, development of the property as a gas station and convenience store is nearing construction. This is a significant project for Pemberton as the redeveloped site will add great value to the community. It fits within the scheme of their comprehensive plan and will complement new and ongoing economic development projects in the area.

The developer is preparing the necessary applications for a Hazardous Discharge Site Remediation Fund loan, and a Redevelopment Agreement to take on the remaining treatment of residually contaminated soils and ground water. The redevelopment planning process has been assisted by property sales agreements between the developer and the township. The developer voluntarily took on the remediation costs associated with the underground tanks and contaminated soils. The developer also entered a contingency agreement with the township. These actions by the developer allowed for construction planning to continue without the added phase of invasive cleanup actions.

Jersey Gardens Mall

Elizabeth

Jersey Gardens Mall is built on a 166-acre landfill site. It is a terrific example of how the public and private sectors can work together to return brownfields sites to productive use. The project involved the coordination and support of various parties that focused on making it a model for successful reuse of once contaminated land.

Located in Elizabeth's Urban Enterprise Zone, the site was acquired by OENJ Corporation and selected by the Regional Plan Association as a model brownfield site. The Department of Environmental Protection helped to accelerate the permit approval process and eliminate regulatory obstacles. A \$250,000 loan from the New Jersey Economic Development Authority helped OENJ meet its pre-development requirements. This money was used to complete the permit phase to initiate plans for closing the landfill. The New Jersey Redevelopment Authority provided a \$500,000 loan to offset the costs of environmental compliance. The Hazardous Discharge Site Remediation Fund provided a \$3 million loan for completion of remediation work.

Financing for roadway improvements came from the New Jersey Department of Transportation, the New Jersey Turnpike Authority, the Port Authority of New York and New Jersey, the City of Elizabeth, and Union County. The EDA sold \$140 million in tax-exempt bonds to be used for landfill closure, remediation, and infrastructure improvements. Another \$19 million in tax-exempt bonds were sold on behalf of the new owner, Glimcher Properties Ltd. Partnership. The private developer provided private funding of \$219 million to aid in the construction of the mall.

The mall has triggered \$219 million in private investments and an estimated \$4 million to \$5 million in new annual tax revenues. It can also be credited with creating 5,000 job opportunities for area residents. The Department of Labor has provided about \$200,000 in training grant monies to train unemployed individuals to be retail clerks. It also played a part in the developer's decision to set aside 3,000 square feet as a computerized learning center.



Directory

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**NEW JERSEY DEPARTMENT OF
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**NEW JERSEY COMMERCE AND
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