



Aerial view of the Struthers-Dunn and Lambs Road Associates site (outlined in blue) in Mantua Township, New Jersey.

Doing the Deal

Mantua's Route 55 Brownfield Redevelopment Area

By Phyllis E. Bross, Esq., and Michelle Bruner

Welcome to Brownfield News' annual "Doing The Deal" issue, when one municipality's difficult site is showcased and receives practical technical, financial and redevelopment advice from our editors.

This year, we serve it with a twist.

In addition to comprehensive written advice from many of Brownfield News' department specialists, the site in Mantua Township, New Jersey, also received hands-on redevelopment advice from a panel of experts assembled by the National Brownfield Association. The following 10 pages illustrate the support, partnerships and resources needed for the healthy revitalization of any municipality's troubled property.

Mantua Township, New Jersey, established in 1853, is located in the center of Gloucester County, less than 20 miles from Philadelphia, Pennsylvania. It is a rural town, complete with parks, schools and recreational areas, the kind of community where picnics, parades, family, fellowship, and neighborhood pride are evident. The 19.89 square mile township has grown more than 40 percent since 1990, currently boasting a population of 14,217. The township's master plan, adopted in February 2006, cites as a major goal the protection of the character of this township and highlights redevelopment objectives intended to combat sprawl and promote a variety of housing options.

In an effort to address these objectives early on and head on, Mantua began taking inventory of its brownfields and moved to educate itself on brownfield issues. Focusing on the township's most contaminated industrial

sites, Mayor Timothy Chell and Economic Development Committee Chairman Howard Bruner worked with the town council for the formal designation of the site known as Struthers-Dunn and the neighboring Lambs Road Associates site as a "redevelopment area." This designation allows increased municipal control over the redevelopment, as long as it is in accordance with the New Jersey Local Redevelopment and Housing Law, which states that a property must meet certain criteria to be deemed an "area in need of redevelopment" (N.J.S.A. 40A:12A-5).

The Struthers-Dunn site met the qualification criteria, due in large part to its dilapidated condition and abandoned factory buildings. The township concluded that the land was simply unproductive and, if left untouched, would prove detrimental to the welfare of the community. Similarly, the underutilization of the Lambs Road Associates property qualified it, as well.

Description of Sites

The Struthers-Dunn site is located in Mantua's industrial district and within the Suburban Planning Area of New Jersey's Development and Redevelopment Plan, which allows for zoning flexibility. The Dunn family opened the facility in the early 1950s, manufacturing electrical relays for missiles and various aircraft. When Struthers-Dunn closed in the mid-1990s, hundreds of jobs were eliminated and the township's tax revenues decreased.

The assessed value of the Struthers-Dunn site is documented at \$871,300, with an estimated market value of \$1.4 million. Unpaid municipal property taxes for which liens are lodged were estimated at approximately \$820,000, as of mid-August 2006. More than \$20,000 in additional unpaid township taxes for this site are also owed, but not yet subject to a municipal lien.

The Struthers-Dunn site includes a masonry manufacturing building with an area of approximately 93,766 square feet, a small storage facility and paved parking lot areas.

The Lambs Road Associates site, which shares a western border with Struthers-Dunn, consists mostly of vacant land that was, at one time, improved with a commercial building. The Lambs Road Associates partnership purchased the property in 1985.

In 1989, the property was in the process of being transferred to a redeveloper when groundwater contamination, believed to emanate from the Struthers-Dunn site, was discovered during the redeveloper's due diligence period, thus aborting the sale. Currently a grassy field with some other vegetation, the

Lambs Road site has not been the subject of a recent township appraisal. The township recently received some, although not all, of past property taxes due for this site.

Environmental Issues

After the private remediating party fell out of compliance with its Administrative Consent Order, the New Jersey Department of

TCE and PCE ground water contamination a principal environmental concern at the site.

A total of 125 soil samples were collected from the suspected contaminant areas around the site (west of the building and the northern wooded area of the site). The northern area showed minimal signs of contamination, though the areas west of the building indicate that soil quality has been impacted, requiring a more comprehensive delineation of organic solvent contamination, including PCE and certain metals.

NJDEP has hired an environmental consultant to perform a multi-phased remedial investigation to define the nature and extent of contamination at and emanating from the redevelopment

area. Mantua Township will be exploring several options for completion of the remedial work, including continuation of the publicly-funded work being conducted by the state. Another option, which may better serve all parties, would allow the selected redeveloper—with the approval of the NJDEP to complete such an investigation—to perform the necessary remedial action as part of the redevelopment project.

STAMP

Combined and then redesignated the Route 55 Redevelopment Area, the Struthers-Dunn and Lambs Road initiative has benefited from novel partnerships at all levels of government and with professional organizations. This past spring, Mantua Township became the first



Years of neglect have left the Struthers-Dunn facilities dilapidated and potentially hazardous.

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Environmental Protection (NJDEP) began a proposed four-phase, publicly-funded investigation for the combined redevelopment area by addressing both the Struthers-Dunn contamination and its affect on the Lambs Road site. The NJDEP was able to draw down the private remediating party's letter of credit for a portion of the work, and supplemented it with state funds in order to complete the investigation properly.

According to the February 2006 Phase 1 Remedial Investigation Report and additional information gleaned by the township, sampling confirmed soil and ground water contamination at the property. Until 1978, trichloroethylene (TCE) and tetrachloroethylene (PCE) were the primary solvents used as machinery degreasers at the plant. Past waste management practices have made

municipality in the nation to receive hands-on redevelopment advice and direction under the Site Technical Assistance for Municipal Projects (STAMP, see sidebar on pg. 21) program, an innovative tool developed by the National Brownfield Association (NBA) to provide technical redevelopment assistance on brownfield properties. Operating in this instance as a pilot program supported by funding from the United States Environmental Protection Agency (USEPA), NBA selected Mantua Township and the Route 55 Redevelopment Area as a study model for revitalization strategies.

The township worked cooperatively with the NBA to provide the information and assistance required to deliver an effective STAMP report, and exhibited to the association a positive relationship with the state and the county on this project.

In a successful first step, several members of Congress and the New Jersey state legislature, and officials from national and state environmental protection agencies attended the presentation of the STAMP report that defined the potential benefits of the proposed redevelopment, including its capacity to generate income, attract jobs and improve the quality of life for the township overall.

At a public meeting held in June, Mantua Township's Economic Development Committee discussed the future of the redevelopment area, particularly its desire to implement a mixed-use redevelopment project with the potential for residential, commercial/retail, professional office, and light industrial reuses. After hearing about the working session and all of the interest it attracted, the Gloucester County Housing Authority offered its partnership and support for a senior affordable housing project to be constructed at the redevelopment area.

Looking at both the positive features of the area and those that required immediate attention, the NBA STAMP panel suggested that residential use may in fact be a high-

est and best use for some locations within the redevelopment area. And in light of the redevelopment area's favorable size, location and accessibility, it also recommended several potential reuse scenarios that are anticipated to yield much-needed tax dollars for Mantua.

Technical Assistance as a Redevelopment Resource

The ability of any municipality to successfully market its brownfields and return them to the tax rolls requires a great deal of advanced planning, thorough research and assistance from both professional and government sources. It requires that one understand market values, the concepts of assessed value and highest and best uses. It requires an awareness that property values can be drastically affected by location, market conditions, demographics, the ability to get utility service to the sites, and, perhaps more importantly, by a particular site's liabilities, including tax and environmental liabilities.

As with most large, public redevelopment endeavors, brownfield or not, the ability to fund such a project can prove a formidable issue, as well. While federal and many states' laws—New Jersey, in this case—provide monetary assistance for brownfield cleanups, and to a lesser extent for planning and redevelopment, grant application processes take time and grants can be very competitive.

These are just a few areas in which external agencies—both government and professional—can serve as resources to municipalities that have the determination but not the financial wherewithal or complete knowledge base to successfully reinvent brownfield sites. Mantua, in this case, has created and maintained a healthy environmental partnership with agencies such as USEPA, NJDEP and New Jersey's Brownfield Redevelopment Interagency Team (BRIT).

Specifically, the township's relationship with the NBA STAMP

panel has proved an invaluable resource. Ultimately, the NBA panelists provided guidance for the township on a variety of issues—from cleanup timing and insurance coverage matters to solutions for filling in the township's data gaps and remedying utility connection and capacity issues—and helped the township develop a process by which to set the project in motion.

As Mantua Township was searching for available financial assistance to address the Route 55 Redevelopment Area and its other brownfields, the NBA also suggested using any available insurance proceeds to help fund redevelopment. In addition, they provided scenarios under which interim land uses, such as outside recreation and parking facilities, could raise temporary revenues for the township during the cleanup and land clearing activities.

Conclusion

Due in great part to the NBA's STAMP of approval for Mantua, deals are getting done. With the assistance of the panel and in collaboration with Mantua's various partners in brownfield revitalization, the Mantua Township's redevelopment plan for the Route 55 Redevelopment Area will be implemented consistent with the critical goals and objectives of its master plan, and in adherence to environmental safety measures. To provide as much assistance as possible, *Brownfield News* also asked its editors to offer additional advice to Mantua. That advice immediately follows this article.

Underutilized brownfields in this township will surely, for some, become a new place to work or shop. Yet others will one day refer to these revitalized brownfields as "home." **BFN**

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