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New Jersey Expands Brownfields' and Urban Development Efforts: A Nice Start But... ¹

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Over the past ten months New Jersey has embarked upon a number of different initiatives designed to expand Brownfields-related programs. For the most part, these programs are tied to larger efforts to spur urban development throughout the State. The genesis of most of these initiatives lies not just in legislation but rather efforts arising from Governor Murphy's initiative geared toward building a "Stronger and Fairer Economy in New Jersey." While such efforts are laudable, it remains to be seen as to the real impact of the same on the Brownfields' landscape.

In early March of 2019, Governor Murphy announced a Brownfields' tax credit, which is co-administered by the New Jersey Economic Development Authority (NJEDA), the Department of Environmental Protection (NJDEP) and the New Jersey Division of Taxation, and is designed to close project financing gaps as a part of the overall effort to revitalize underutilized industrial properties. A related goal of the initiative is the preservation of New Jersey green spaces. The State appropriated nearly \$15,000,000.00 to the Brownfields Site Reimbursement Fund in 2019. Governor Murphy's initiative anticipates that the appropriated funds will be phased out quickly and be replaced by a competitive grant opportunities mechanism administered jointly by EDA and NJDEP.

This Brownfields initiative was followed by an expansion of the NJEDA's Community Collaborative Initiative (CCI) which enables NJDEP staff to provide ground level support on Brownfields' redevelopment and urban revitalization efforts. Initially, such efforts were focused in cities such as Bayonne, Camden, Perth Amboy and Trenton. The CCI embeds NJDEP staff at the ground level within communities and attempts to provide a more direct connection to the necessary expertise that will enable communities to address environmental concerns effectively and appropriately.

CCI has produced some results in Bayonne, Camden, Perth Amboy and Trenton. The State reports that CCI's staff collaborated with local leaders and NJDEP experts in Camden to jump-start the process of transforming a 61-acre landfill into a restored shoreline area with improvements, including the creation of new tidal wetlands, recreational amenities for residents and a solar field. CCI developed a similar approach with respect to Perth Amboy which involved the launch of a project to clean up a 6-acre scrap heap and construct a new park on the subject site. In Trenton, CCI staff helped to advance development of the Assunpink Greenway Park which is a 99-acre redevelopment project that will include soccer fields, a waterfront walk and other amenities.

Last year the NJEDA also approved the creation of a new Brownfields' Loan Program to provide low-interest financing to help complete remediation of vacant or underutilized Brownfields' sites. The program will make financing up to \$5,000,000.00 available to potential Brownfields' site purchasers and

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current Brownfields' site owners to help cover the cost associated with site investigation, assessment, remediation and related building and structural issues (including demolition, removal of asbestos, etc.).

Funding will be made available through a series of competitive "application" rounds. Projects that meet base eligibility will be scored or evaluated by NJEDA staff according to various details involving the Brownfields' site and/or proposed redevelopment project. The award of funding within competitive rounds will be determined by the highest overall scores and all projects must meet certain minimum scores in order to be considered for funding or, at the very least, advance to the next round of consideration.

The latest initiative within the Brownfields universe involves a joint effort on the part of NJEDA and the New Jersey Institute of Technology (NJIT) to establish a New Jersey Brownfields Center at NJIT. The Brownfields Center will provide a variety of technical assistance and resources to assist New Jersey communities with the process of transforming their Brownfields sites into community assets.

The Brownfields Center at NJIT will expand upon the other efforts cited in this article to offer assistance to communities beyond the now 12 CCI municipalities as well as providing additional tools of a technical nature to all Brownfields' communities in New Jersey. The goal of the center will be to provide guidance and resources to county and local government entities to help them overcome the challenges and otherwise navigate the Brownfields development process. A further goal of the program is to educate and engage communities throughout the State about Brownfields' issues.

All these initiatives represent a "start" or perhaps a "re-start" in terms of efforts to join notions of environmental remediation with economic opportunity. Budgeting pressures and a somewhat fractured political landscape raise legitimate questions as to whether the will and means exist to financially support and possibly expand these sorts of Brownfields-related initiatives of the future.

¹*This article is an abbreviated version of the more complete article on this topic that can be found on the Schenck Price Smith & King website.*

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