

Written Testimony of
The Honorable J. Christian Bollwage
Mayor, Elizabeth, New Jersey
On Behalf of The U.S. Conference of Mayors
Before the House Energy and Commerce

# Subcommittee on Environment 2123 Rayburn House Office Building March 11, 2025

## **INTRODUCTION**

My name is Chris Bollwage and I have had the honor to serve as the Mayor of Elizabeth, NJ since 1993. I also serve on the Executive Board for The U.S. Conference of Mayors and I Chair the Conference's Brownfields Task Force for the past 30 years.

I have testified before this committee numerous times on the important topic of brownfields. And while I am speaking on behalf of the Conference of Mayors, I will mention that we work very closely and are aligned with our other local government organizations - the National League of Cities and the National Association of Counties - on this important issue.

First, I want to sincerely thank this committee for listening to the recommendations that our organizations put forth during the last reauthorization and incorporating them into the Brownfields law in 2018. Those included the creation of the multi-purpose grants and increasing the cleanup grant amounts. We were even more excited to see the additional funding of \$1.5 billion and higher funding caps of \$10 million that were included in the Infrastructure Investment and Jobs Act or IIJA.

As mentioned in my previous testimony, cities have been doing brownfields redevelopment for decades (even before the first Brownfields law was passed) but we hit many roadblocks that hindered our efforts. The legislation that was passed back in 2002 was a game changer. It finally provided the much needed liability protections for innocent parties who wanted to redevelop these sites but were too nervous to get potentially entangled in the Superfund liability issues. And it also codified EPA's Brownfields program which is one of the most popular and successful programs that EPA has and it has made a significant difference in communities all across the country.

How can you not like a program that cleans up the environment and puts a piece of land back into productive use whether it be for new economic development, new housing, or even a much-needed greenspace in a run-down part of town? It is simply a community game-changer.

And the results have been impressive -

According to EPA, through fiscal year 2024, on average, \$20.45 was leveraged for each EPA Brownfields dollar awarded and 13.9 jobs were leveraged per \$100,000 of EPA Brownfields funds through assessment, cleanup, multipurpose and revolving loan fund agreements.

The only downside is that the majority of grant applications that make it to EPA Headquarters are not funded due to lack of resources. And while communities, like mine, have received brownfields grants in the past, we tend not to apply for additional funding knowing the fact that EPA, rightly so, likes to distribute the money to many communities throughout the nation.

As I also mentioned previously, many of the easier to develop brownfield sites have been tackled. However, many communities continue to struggle with harder to develop sites due to either more complex cleanups or their locations face additional challenges that make them harder to develop. The changes that were incorporated in the last reauthorization bill as well as IIJA have assisted us with cleanup and redevelopment of these more complex brownfields sites.

EPA's Brownfields program has consistently been one of the most useful federal programs at the local level. It supports the revitalization and redevelopment of vacant and abandoned properties that blight communities across the country, and I hope, like in the past, it continues to be one of the most bipartisan programs supported by Congress.

Brownfields redevelopment can play a crucial role in infrastructure development, revitalizing communities, creating jobs, and even assisting with local climate change mitigation, energy, and resiliency needs.

For many people, brownfields are just the neighborhood eyesore or the former industrial site, but for cities, they also represent unrealized potential. Local leaders see the redevelopment of brownfields as a chance to bring back jobs to a community, revitalize neighborhoods, increase the tax base, and reuse and enhance already existing infrastructure in a more sustainable way.

## **HISTORY**

Since the early 1990s, local governments have made the redevelopment of brownfield properties a top priority. At that time, the Government Accountability Office estimated there were somewhere between 400,000 to 600,000 brownfield properties. Brownfields are defined as abandoned or underutilized property whose redevelopment is hindered due to real or perceived environmental contamination. In our research, we determined that every Congressional District had at least one brownfield site, but most had many more. Brownfields can occur anywhere - from an abandoned gas station or dry cleaner or a former industrial site that is no longer in use.

In the 1990s, developers, business owners and banks were unwilling to touch these properties out of fear of liability. These concerns were the result of the joint, several and strict liability provisions in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), a 1980s law more commonly known as Superfund, which made an innocent

developer or lender just as responsible for the cost of cleanup as the actual polluter. As a result, developers would seek out "greenfields" rather than take a risk on a brownfield property. This unfortunately contributed to urban sprawl, more air pollution due to increased vehicle miles traveled, and hundreds of thousands of abandoned or underutilized sites in almost every community in the United States.

As the great mayor of Chicago, Mayor Richard M. Daley once said, "As a nation, we recycle aluminum, glass, and paper, but we don't recycle our most valuable commodity, our land." I would like to add to that: by recycling our land, we are also taking advantage of existing infrastructure and in many cases, upgrading that infrastructure to support new development. This is a much more sustainable path of utilizing infrastructure than continually building new infrastructure that will also need to be maintained.

Back then, we worked closely with Congress and EPA to formulate legislation and a program that provided some liability relief for innocent developers, as well as money to do assessments and cleanup.

I testified before the House and Senate numerous times between 1994-2001 on the importance of this legislation and was pleased that the bill had such strong bipartisan support. In 2001, the Small Business Liability and Brownfields Redevelopment Act passed the Senate with a 99-0 vote, was put on the unanimous consent calendar in the House, and signed by President George W. Bush, demonstrating the vast bipartisan appeal of this program. And you can understand why - the program is a win for local governments, the environment, businesses, and communities.

When the Brownfields program came up for reauthorization, our local government organizations and others made a series of recommendations on how to improve the program. It took nine years, but eventually Congress passed a reauthorization bill in 2018. I am seriously hoping that it won't take another nine years for the next reauthorization to occur, but we are cutting it kind of close.

## **Infrastructure Investment and Jobs Act (IIJA)**

I again want to take this opportunity to thank Congress for including \$1.5 billion for brownfields redevelopment in the IIJA. Given that historically only around \$90 million is appropriated every year for grants to local governments and nonprofits, the extra \$300 million per year was extremely beneficial in funding more worthwhile projects.

The infrastructure bill also allowed for higher grant amounts in the areas of assessments, cleanup grants, multipurpose grants and job training. We know that, in the past, EPA had been somewhat hesitant in awarding larger grant amounts due to the fact that they only had \$90 million to distribute nationally and they wanted to help out as many communities as possible. However, with this increased funding and additional flexibility, EPA did take advantage of this opportunity

and utilized some of the infrastructure money to provide larger grant amounts of \$500,000 for assessments and \$5 million to communities with brownfields that need extra assistance.

The other item that proved very helpful is that while there is typically a 20 percent matching requirement for most of these types of grants, because of other IIJA money, it helped subsidize this requirement which really helped many communities who may be struggling to find matching funds.

#### **BROWNFIELDS REDEVELOPMENT IN ELIZABETH**

Since I first became Mayor of Elizabeth, I have worked to redevelop many brownfield sites that were once eyesores in my city. Attached to my testimony is a summary of some of the most notable brownfield redevelopment projects in my community including the Jersey Gardens Mall, the Harbor Front Villas, and our Elizabethport/Hope VI project to name just a few.

These former brownfield sites include a former landfill that became a 200-acre shopping experience, a former industrial waterfront property which is home to mixed use development that includes both luxury homes as well as affordable housing.

That is what is great about the brownfields program. Each community has their own needs and their own vision and this program provides them with the tools they need to make that vision a reality.

The EPA Brownfields program has a proven track record of leveraging private sector investment, creating jobs and protecting the environment. The original law provided some liability relief for innocent purchasers of brownfield properties and provided resources to conduct environmental assessments and cleanups. After the original law passed, the challenge that many communities faced is that while there were tools to help with the so-called "easy" brownfield sites that are most attractive to developers, there were not enough tools or resources to assist with the more difficult brownfield sites—what we like to refer to as the medium to dark brown, brownfield sites—that are more complex to redevelop.

I would like to make some comments regarding the improvements that were made in the 2018 Brownfields Reauthorization and in the IIJA that we would like to see continued in your version of a reauthorization bill.

**Full Funding of the Brownfields Program** – The 2018 reauthorization maintained the existing authorization level of \$250 million annually although only about \$140- \$150 million is regularly appropriated. Please note that the states get their \$50 million annually and around \$90 million goes directly to local governments and nonprofits for the tools that I have mentioned - monies for assessments, cleanups, multi-purpose, and job training.

The IIJA provided \$1.5 billion over 5 years or \$300 million per year. We are extremely grateful for that huge influx of money. Given the huge number of brownfields that remain and how successful this program is, it will never be a bad investment to put more money into this program. We believe that this new money is being well utilized and could justify additional appropriations in the future and respectfully ask that higher funding levels are included in this new authorization bill.

Creation of a Multi-Purpose Grant – The 2018 reauthorization specifically authorized for the first-time multi-purpose grants up to \$1 million and IIJA provided up to \$10 million. The way the program previously worked was that a city had to apply for a specific type of grant for a specific property. This process works in many cases, but for cities with multiple brownfields sites that have different needs, the process was not flexible enough for real market-place situations. For example, a city may have multiple developers and businesses who are interested in several brownfield properties and may need different tools. A multi-purpose grant allows a city to use the money where and how it is most needed. Communities could do an assessment on property x or clean up on property y without reapplying for a specific category of funding. It was a hindrance to apply for a specific grant for a specific site and then wait six months to a year to see if you were awarded the funding when there was a very good chance that a potential developer moved on or changed their mind on that particular property. Local governments have been asked to be more "business-like," and the creation of this additional tool has added to our efficiency in working with the private sector on these vital projects.

EPA seems to have a more restrictive view of the uses of multi-purpose grants than we originally envisioned. We were hoping that a city would NOT have to identify a particular neighborhood or site for where the money could be spent but to use it more broadly, potentially even city-wide. If this is too broad, an applicant should be able to use that money with as much flexibility as possible, in our opinion. And so maybe identify multiple areas where the money could be used.

We would like to see the multi-purpose grants continued and the dollar amounts increased. We would also ask the EPA to allow for the broadest application of the area covered by this grant.

**Increased Cleanup Grant Amounts** – As mentioned, many communities have been able to tackle the so-called "easy" brownfield sites. While that work still needs to keep going, there are still many additional brownfield sites that are more complicated due to the level of cleanup that is needed, the current market conditions, the location of the site, or a combination of these factors.

We are happy that Congress recognized this need and in your 2018 reauthorization bill raised the cap on cleanup grant amounts from \$200,000 to \$500,000, with the flexibility to go up to \$650,000 based on the anticipated level of contamination, size or ownership status of the site.

Under IIJA, there was an allowance for up to \$10 million of cleanup money per site. We do not think any \$10 million grants were awarded but we did find several clean up grants for \$1- \$5 million to clean up multi-acre sites that are along waterfronts and other key areas that can help these communities revitalize themselves and bring in economic development and other amenities.

That opportunity could be a real game changer. We would like to ask that in the next authorization bill that you support our original recommendation of increasing the cleanup grant cap to at least \$1 million, with the flexibility for up to \$2 million in certain instances. Of course, if you decide to authorize appropriation levels that are closer to IIJA levels, we may want to bump that up to \$5 -\$10 million.

Allowed Reasonable Administrative Costs - The 2018 reauthorization allowed Brownfield grant recipients to use up to 5 percent of grant amounts for administrative costs, such as for rent, utilities and other costs necessary to carry out a brownfields project. This is an important improvement to the original law, which prohibited use for administrative costs entirely. This change is particularly important for smaller communities and nonprofits that previously may not have even applied for grants due to the cost burdens associated with taking a federal grant. We ask the committee to consider raising this cap higher which will particularly help smaller communities.

Matching Funds - There is a 20 percent match for the multi-purpose, cleanup, and revolving loan fund grants. Under IIJA, there was additional funding that could be used as a match so, in a way, it was like there was a zero-matching requirement. We understand that Congress likes for a community to have some "skin in the game" but this does make it more difficult for smaller and poorer communities to be competitive. We ask that you consider allowing a certain number of grants to not have a matching requirement to assist these harder hit communities.

Removal of Barriers to Local and State Governments Addressing Mothballed Sites – Local governments throughout the country have long recognized the harm abandoned and underdeveloped brownfield properties can pose to their communities. Properties that lie idle because of fear of environmental contamination, unknown cleanup costs and liability risks can cause and perpetuate neighborhood blight, with associated threats to a community's health, environment, and economic development. These are called "mothballed" properties and they can be detrimental to a community or neighborhood's vitality. While this has not been a major problem in Elizabeth, it is in many other communities.

The 2018 reauthorization provided more redevelopment certainty for governmental entities by addressing the liability concerns for the "voluntary" acquisition of properties, as well as "involuntary" acquisition as the original law allowed.

But additional tools may be necessary to convince owners of mothballed properties that it is safe to turn over, sell or redevelop these properties. We would like to work with Congress to develop a list of recommendations or potential tools that could be implemented to help address this problem.

## **CLOSING**

The changes that Congress made in the last reauthorization bill improved the program significantly and the IIJA built on that progress. I again wish to thank you for supporting those changes and this investment. At this time, our organizations are asking Congress for a simple reauthorization package with a change in the effective dates but, if possible, we would love to see additional authorization resources, such as those in the IIJA, provided for this very successful program.

I wish to thank the subcommittee for inviting me to testify today. This is a program that you all should be proud to support. It has a proven track record of creating jobs, cleaning up contamination and protecting public health. It is a pro-business and pro-environment law and I urge you to support reauthorization. Thank you again for this opportunity and I look forward to your questions.

#### Attachment

# City of Elizabeth - Brownfield Summary

# 1. The Mills at Jersey Gardens

Within the City of Elizabeth, the *Jersey Gardens Mall* was built upon a former landfill in 1999. Through strong private/public partnerships on the County, State and Federal level, this innovative project transformed a former brownfield into a thriving shopping experience - with more than 200 stores and an AMC Loews movie theater located next door.

Conveniently located off Exit 13A of the New Jersey Turnpike, the conversion of this former eyesore into a shopping center had numerous positive effects on the health of the neighborhood. It created new employment opportunities, assisted in the stabilization of property taxes through a new tax ratable and continues to improve the overall quality of life within the City.

Jersey Gardens Mall became The Outlet Collection - Jersey Gardens and was renamed The Mills at Jersey Gardens when it was acquired by Simon Malls in January 2015. The Mall continues to flourish after another successful year, with business up 10% and international visits up 37% - from top markets including Brazil, Germany and Israel.

In collaboration with Union County College, the Retail Skills Center, which has evolved into the Workforce Innovation Center, provides job placement, soft skills training and ESL education to residents - and is located right within the The Mills at Jersey Gardens. In addition We Are One New Jersey-Union County, which is an initiative spearheaded by the County of Union, is located within *The Mills* and provides assistance to individuals as they prepare for the United States Citizenship Test.

The Mills at Jersey Gardens also features a 4.8-megawatt SunPower rooftop solar system. The project, which is among the largest rooftop systems in North America, broke ground in June 2011 and began producing power in February 2012. Consisting of more than 15,000 high efficiency SunPower panels, this project generates approximately the amount of power required for 564 New Jersey homes.

Adjacent to the Mall is an eight-story Embassy Suites Hotel with 82 rooms and an 87,200 sq. ft. restaurant. Additional hotels at this site include: Country Inn and Suites by Carlson, Elizabeth Courtyard by Marriott and Residence Inn by Marriott Newark/Elizabeth Liberty International Airport. Restaurants such as Ruby Tuesday and IHOP are also available on the property.

The IKEA Furniture store, which is also easily accessible from Exit 13A of the New Jersey Turnpike, also completed a \$40 million renovation, which included a reconfiguration of its operations and an increase in showroom space to help meet the growth of its business.

# 2. The HOPE VI Project

Before Jersey Gardens, City Officials had embarked upon an impressive renewal effort in the City's oldest neighborhood, which was located adjacent to the transformed landfill. Economic development expansion and citywide revitalization efforts inspired the removal of public housing structures and the implementation of new housing initiatives.

Hundreds of affordable housing units were completed, with a portion on former brownfields. The tremendously successful federally funded HOPE VI program assisted in the removal of public housing complexes and replaced them with new townhouses in Elizabethport.

Individuals previously residing in the old, dilapidated facilities had the unique opportunity to become homeowners. Living in a new community setting not only physically transported these low to moderate income residents, it transformed their quality of life.

Removing the stigma of public housing, the HOPE VI program assisted in instilling a sense of pride, self-sufficiency and homeownership in a residential neighborhood that included beautiful landscaping and open space. Through this program, hundreds of residents also participated in services including but not limited to: resume and interviewing workshops, job training and placement, computer classes, youth oriented programs, child care programs, business development and health care. Identifying neighborhood potential and implementing a strong vision made critical initiatives such as HOPE VI possible.

The HOPE VI program is administered by the Housing Authority of the City of Elizabeth through the United States Department of Housing and Urban Development.

## 3. Area Surrounding Midtown Elizabeth Train Station

The Midtown Train Station is a designated New Jersey Transit Village and is located among brownfields. The City is seeking a NJ DEP Brownfield Development Area (BDA) designation for the area within and around the Midtown Redevelopment Area, which includes a 20-acres surrounding the Midtown Train Station. The Midtown Elizabeth Train Station is already a New Jersey Department of Transportation designated Transit Village.

NJ TRANSIT has committed \$70 million dollars for the design and reconstruction of the Elizabeth Midtown Train Station, which will include a new two-story station building with a street-level ticket office, waiting room as well as new office and retail space. The location will also feature new, extended high-level train platforms that will accommodate longer, 12-car trains and the platforms will feature covered, heated and air conditioned waiting areas for its users.

The Station will have new elevators and stairs, upgraded passenger information and security systems. The westbound plaza entrance will be highlighted by a marquee façade, new stairs and new vendor space. NJ TRANSIT and the City of Elizabeth is working together to incorporate art into the design of the station. The project will be funded through a combination of state and federal sources.

Enhancements to the Midtown Elizabeth Train Station are not limited to the current facility. These additional brownfield properties surrounding the Station have also begun the revitalization process. New housing, retail and offices will complement a modern Train Station and provide the services residents, commuters and visitors expect and deserve.

## 4. Harbor Front Villas

The City of Elizabeth's Waterfront underwent a transformation, creating luxury housing on a former brownfield site. Harbor Front Villas is a \$15 million townhouse development that features market-rate units, which would attract the most demanding buyer.

Homeownership coupled with luxurious amenities and a Waterfront view is what Harbor Front Villas offers its clientele. Located minutes away from Exit 13A off the New Jersey Turnpike, the site is easily accessible from major roadways and is minutes away from New York. From master bathrooms, cathedral ceilings and fireplaces to granite entrance halls, central air conditioning, terraces and private parking, this new townhouse community provides the comforts of home with a beautiful view on the water.

With wide market appeal, Harbor Front Villas offer an exciting alternative to individuals who work in the tri-state area and are looking to immerse themselves in the beauty, culture and community of an urban municipality.