



748 Jacob Tome Memorial Highway – Port Deposit, Maryland Telephone: 410-378-9200 Fax 410-378-9265
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Bainbridge Briefing

October 2019

Subject: Redevelopment of the 1,200-acre former Bainbridge Naval Training Center (NTCB) to create jobs and improve quality of life for the citizens of the Town of Port Deposit and Cecil County

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- *The outlook for development at Bainbridge has never been this optimistic. The community is going to see development within the next year. This is a great time for Port Deposit, Cecil County and the State of Maryland -*
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Development Status: With the environmental concerns being addressed (*details provided below*), the BDC and its developer, MTPM LLC., have been working with an interested prospect on a 400-acre parcel of interest, to accommodate up to 3.6 million square feet of class A distribution warehouse and commercial facilities with a development start date in the Spring of 2020. This project has the potential of creating 1,500 jobs and over \$7 million in state and local tax revenue. The greatest challenge to implement the first phase however are the up-front public and private infrastructure costs. In the opinion of a contracted consulting engineering firm, the existing infrastructure on the site is unsalvageable, and the Port Deposit wastewater treatment plant is at the end of its useful life. BDC, Cecil County and MTPM are working collaboratively to make this phase financially feasible, providing for future economic development of the remaining two thirds of the site.

Environmental Background: In 2008, MTPM (development team) entered the first phase of the project into Maryland's Voluntary Cleanup Program. This was a 90-acre residential parcel designed for 206 single family homes. Environmental contaminants were identified with the first round of sampling in 2008 and after three rounds of concentric sampling, in 2009, the Maryland Department of the Environment (MDE) recommended development efforts be reconsidered while additional phase II site-wide assessment occur. In 2010, the EPA completed a site-wide Phase II Assessment which identified several pervasive contaminants preventing commercial and residential development without remediation. Between 2011 and 2014 the Navy (USN) conducted several studies including its own environmental sampling, background study, source assessment, remedial alternatives analysis and order of magnitude estimates for remediation. Their efforts concluded remediation to a residential standard would cost more than \$300,000,000, and there was not sufficient funding available.

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Discussions between USN and BDC resumed in 2014 to begin evaluating potential response actions for the contamination on-site. While evaluating the site data during those discussions, it was determined that various data gaps existed for the site in certain locations and at deeper depths. In order for a proper remedial plan to be developed and approved by MDE, a final round of additional soil sampling would be necessary. In July of 2016, a federal grant was awarded to the BDC through the Department of Defense Office of Economic Adjustment (OEA) for a three-pronged project which included:

- (1) Creation of a web-based GIS portal that would import and contain all site data for Bainbridge, which would not only show where data gaps exist, but also be a valuable tool to be used by potential prospects in evaluating parcels for development
- (2) Two rounds of soil sampling: an initial site-wide sampling to fill data gaps and then a second round of sampling at deeper intervals to evaluate the potential for residential uses
- (3) Revised conceptual plans and utility plans for development of the site to be supported by the new data and an updated market analysis

Due to the discovery of asbestos containing materials (ACM) during field work, BDC requested additional funding from OEA to conduct a site-wide investigation for ACM in the soils.

While the BDC was conducting the grant work in 2017, the Environmental Protection Agency's (EPA) Integrated Risk Information Program (IRIS) (whose mission is to identify and characterize the health hazards of chemicals found in the environment) began to re-evaluate the risk screening levels for various contaminants, including several areas of concern on the Bainbridge property. New tables were released that reflected changes in the toxicity parameters for various risk screening levels (RSLs). These changes had a direct positive effect on the conditions for development at Bainbridge. Key findings of the new data collected, in addition to the updated RSLs, are as follows:

- 3% of the Bainbridge site exceeds a commercial development standard (versus 12% under the pre-2017 RSLs)
- 28% of the Bainbridge site exceeds a residential development standard (versus 49% under the pre-2017 RSLs)
- Bulk ACM was found in 40% of the test pits completed across the site
- While PAHs and metals were once the driving concern for the site, new data now shows that asbestos is the material of concern

Field work was completed in November 2017 and all grant deliverables (including reports and site plans) were sent to USN for their review. Once adequate time for review was given, BDC and USN reengaged in early 2018 to discuss implementation on a 400-acre parcel for a prospect interested in warehouse and distribution. A Memorandum of Agreement was signed between BDC, MDE and USN in fall of 2018 to outline the process and terms for the 400-acre parcel of interest, which included but are not limited to:

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BDC to use the parcel for commercial/industrial uses only, BDC would record necessary land controls on the parcel, and USN will fund the costs for any environmental response(s) on the parcel.

Within the 400-acre parcel of interest test-construction activities were completed in late 2018 to determine if development would create an airborne risk from ACM. Results showed no risk from standard site construction. BDC and USN then began to negotiate the terms, scope and budget for an Environmental Services Cooperative Agreement (ESCA) which would allow the BDC to prepare the 400-acre site for development and obligate the necessary funding from USN.

Outlook for Tome School: Under the leadership of new director Elizabeth Hughes, the Maryland Historical Trust repositioned their stance on the preservation easement at the Tome School Campus. The original easement was created to include all components of the campus, including all structures and both interior and exterior elements. An extensive review was conducted of the current conditions of the campus and decided that easement terms would be held against only the exterior components of the granite structures; excluding any interior requirements and/or the several wood master's cottages. And while the easement is not currently imposed on the BDC (state entity), it will be recorded once any parcel is transferred to a third party, making these revised easement terms much more suitable for a prospective user.

In April 2019, the Maryland General Assembly passed Senate Bill 741, which requires the Secretary of the Maryland Department of Planning to conduct a study on the adaptive reuse of historic properties, identify current obstacles and provide recommendations for those concerns. The Tome School property was chosen as one of the three case studies to be included in the report. The deadline for completion is December 15, 2019.

In Summary – After migrating through the environmental challenges, and with the cooperation and collaboration of USN, MDE, MTPM and BDC, we are confident that there will soon be a shovel in the ground on Bainbridge.

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