

## **BAINBRIDGE EXECUTIVE SUMMARY**

The Former Naval Training Center – Bainbridge is located in Port Deposit, Maryland on approximately 1,185 acres. The Site is currently owned by the Bainbridge Development Corporation (BDC), and instrumentality of the State of Maryland. The Navy operated the Site as a training center beginning in 1942. The center was first inactivated as a Navy training center in 1947 with a Naval Academy Prep School as the sole remaining activity on the Site. The Navy training center was renovated and reopened in 1951 and continued operations until the training center formally closed in 1976. After closing, some of the facilities at the Site were used by the United States Department of Labor as a Job Corps Training Center until 1990. The property was transferred by deed by the U.S. Navy to the BDC in February 2000. BDC (Bainbridge Development Corporation) was an entity created by the Maryland Legislature.

The State failed to provide any funding source for BDC, and therefore they needed a private source to provide operating costs, engineering expenses, etc. BDC entered into a Sales Contract Agreement with the Lowes Corporation from Florida. After approximately ten years, the Lowes Corporation terminated the Agreement without having spent any engineering money or having advanced the property at all.

BDC then contracted with MTPM, LLC, whose partners are Kenneth Michael, The Paterakis Family and Richard Alter. They contracted with BDC to purchase and develop the site on January 14, 2004. They have since paid for all the Board's operating expenses, engineering, legal costs, design costs, remedial investigations, etc., and have spent in excess of \$20 million on the property without any development whatsoever.

The property is located in Cecil County, and BDC annexed the property into the Town of Port Deposit (population approximately 400) prior to MTPM's involvement. The property has since undergone a rezoning, extensive land planning, engineering, etc. Subsequent to final approvals, including overall Master Plan for a mixed use development, MTPM learned in 2012 that there were environmental issues left over from the Navy occupation. MTPM was operating on the basis that the State, BDC, EPA and MDE assured them that the property was clean when they initially contracted to develop the site. This was learned when the developers attempted to commence development and were stopped in their tracks!

When the state assumed title to the property, MDE and EPA indicated that the property was cleared of environmental issues. However, it turned out that was not the case. Accordingly, many years have been spent and much money in attempting to get the Navy to clean up the property. The Navy has continued to push back without any progress until just recently when Congress became involved and demanded that the Navy take action toward remediating the property.

MTPM, along with MDE and the Navy, are working together to resolve issues primarily related to asbestos. The Navy has agreed to share the delta between a normal grading operation and that contaminated with environmental issues. That process is currently underway.

The Agreement executed with the Navy between BDC and MTPM provides for the remediation to take place commencing September of this year and ending the last quarter of 2020. Said Agreement precludes any residential development and restricts the property to industrial type uses.

MTPM currently has three (3) prospective industrial developers and are actively working together with BDC, Cecil County, and the Town of Port Deposit for funding of infrastructure, in order to make the

first phase a success. In that regard, the first phase will consist of four buildings, containing a total of 3.5 million square feet.

### **SEWER**

Funding is critical for relocation of the existing sewer plant, which currently services Port Deposit, and is in disrepair and located in the flood plain on the Susquehanna River. Cecil County has awarded a contract for a new plant on land that has been donated by MTPM, which will not only handle the Town of Port Deposit, but will also handle the 1,100 acre Bainbridge Development, as well as other properties that are currently developed with private systems, including septic tanks.

There are numerous waste water lines throughout the former Bainbridge property, however all of the facilities are not in good operating condition, since they have remained vacant for over forty years. Numerous engineering studies have taken place, and they have indicated that the pipes have either broken, tree roots grown through them, or they are leaking in numerous areas. A study is currently underway, which will probably recommend new waste water treatment lines to be installed.

### **PORT DEPOSIT REZONING**

The Town of Port Deposit has jurisdiction regarding zoning. All other development matters are through Cecil County. The Mayor and Town Council, as well as the County Executive and the entire county staff have been intimately involved in supporting Bainbridge. The entire community, the State and Congress have been anxiously awaiting activity on Bainbridge. The Town Planning Board has met and has agreed to terminate the mixed use comprehensive plan, and have rezoned the entire property to industrial zoning, in accordance with the USN agreement, precluding any residential activity because of the environmental issues.

### **SUMMARY**

The approximate 1,200 acre tract of Bainbridge, because of the recent Navy cleanup activities, is finally available for development after having lain fallow for over thirty years.

However, since the initial phase of development requires all new adequate facilities, road improvements, etc., the first phase cannot afford to support the overall expenditures required to start up development.