



The Star-Ledger

A new battle of Waterloo is under way

Historic village fights state for furnishings

Friday, October 12, 2007

BY PEGGY McGLONE
Star-Ledger Staff

First it lost its lease. Now the nonprofit corporation that managed Waterloo Village in Byram Township for more than 30 years may have to go to court to reclaim the antiques and other property it used to bring the historic hamlet to life.

The Department of Environmental Protection closed the 400-acre site in southern Sussex County last December after terminating its lease with the financially struggling Waterloo Foundation for the Arts, the sole manager of the site since it opened in the 1970s. Without a mission and severely in debt, the foundation decided to sell its assets, pay off its creditors and dissolve.

To do that, it must remove its property from the shuttered village, once a popular tourist attraction featuring a re-created 17th-century Indian village, a Colonial farm and 19th-century canal town.

But the DEP won't allow it. Officials of the cash-strapped government insist the foundation must prove it owns the property inside the buildings before it can be moved. In dispute is everything from the antique furniture, carpets and decorative items that established the village's historic context to the tables and chairs used in its money-making catering business.

"The state put up many millions of dollars ... to fund those operations, and before any property is removed we need assurances that it does not belong to the state," said Lee Moore, a spokesman for the Attorney General's Office.

Robert Zoller, the foundation's attorney, said the relationship between the state and the foundation was a landlord-tenant agreement, and so the state has no claim to property the foundation purchased or acquired to run its operation.

"We do not dispute that over 40 years, Waterloo applied for and received grants from the state. But there is no specific grant that says Waterloo is to purchase a piano, a table, whatever it is, and that they have a security in it," Zoller said. "If they had it, they would produce it."

The village remains closed to visitors as emergency building repairs continue. The DEP has spent \$700,000 to fix several roofs; more work is planned.

Meanwhile, the DEP has not found a new management partner to operate the village. In fact, it has not even completed the request for a proposals document that outlines the details of a management contract.

"We have to figure out how (the village) would run. We haven't exactly solidified that plan," said Amy Cradic, DEP's assistant commissioner for natural and historic resources. "It's a big project."

Zoller believes state officials want to keep the property inside the buildings to help attract a new management partner. Originally he had hoped to negotiate a deal for the state to purchase the items, but the state doesn't have the funds. But it does have the ability to prevent -- or at least to stall -- the foundation from selling them to another party.

Zoller expects the foundation to sue the state to gain access to its property. Timothy Duggan, a partner at the Lawrenceville law firm of Stark and Stark, said such a court case could get complicated -- and expensive -- if there is not sufficient documentation from both sides.

"But possession is nine-tenths of the law," he said. "If it is in their possession, if they've been maintaining it, operating it and storing it, I think the state should have the burden of proving that it's not owned by

Waterloo."

Peggy McGlone may be reached at pmcglone@starledger.com or (973) 392-5982.

© 2007 The Star Ledger

© 2007 NJ.com All Rights Reserved.