



Tonawanda Brownfield Opportunity Area

Pre-Nomination Study

Tonawanda BOA

Agenda

- What is a Brownfield & the Brownfield Opportunity Area (BOA) Program
- Tonawanda BOA Characteristics
 - Demographic/Economic
 - Land Characteristics
 - Environmental
- Brownfield Incentives
- Schedule
- Next Steps

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Project Team & Partners



What is a Brownfield?

A site, where the expansion, redevelopment, or reuse can be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant.

Source: U.S. EPA

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What is a Brownfield?



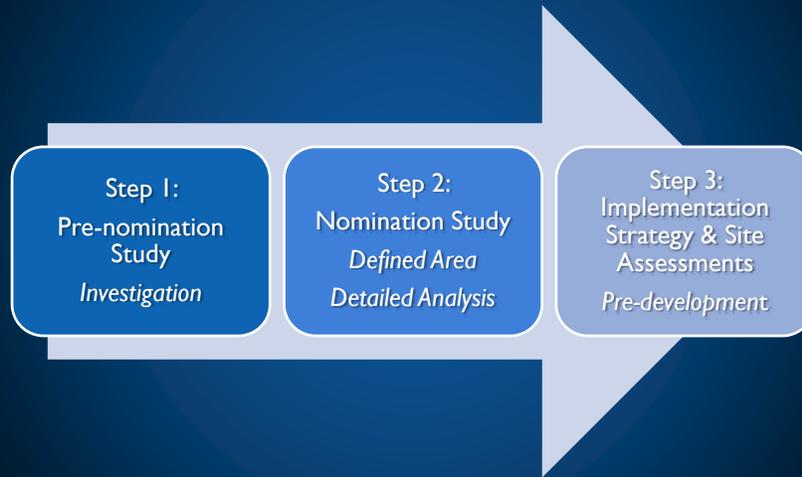
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Brownfield Opportunity Area (BOA)

- Multiple Brownfield Sites . . .
 - and Vacant, Underutilized, Abandoned Sites
- Area Revitalization Plan
- Partnerships
 - Local Community
 - Department of State
 - Department of Environmental Conservation
 - Other local, regional and state partners

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Brownfield Opportunity Area Program



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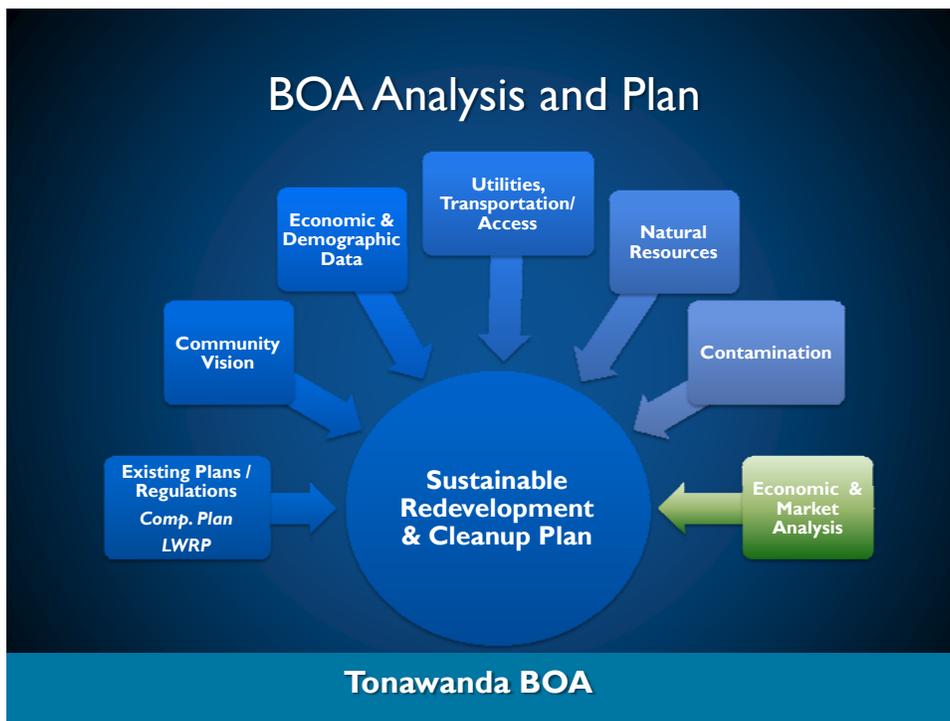
Brownfield Opportunity Area

Benefit - Advances projects to the marketplace

- Community support / Partnerships
- Revitalization strategy
- Transparency of environmental conditions
- Grants/Tax Incentives
- Project marketing



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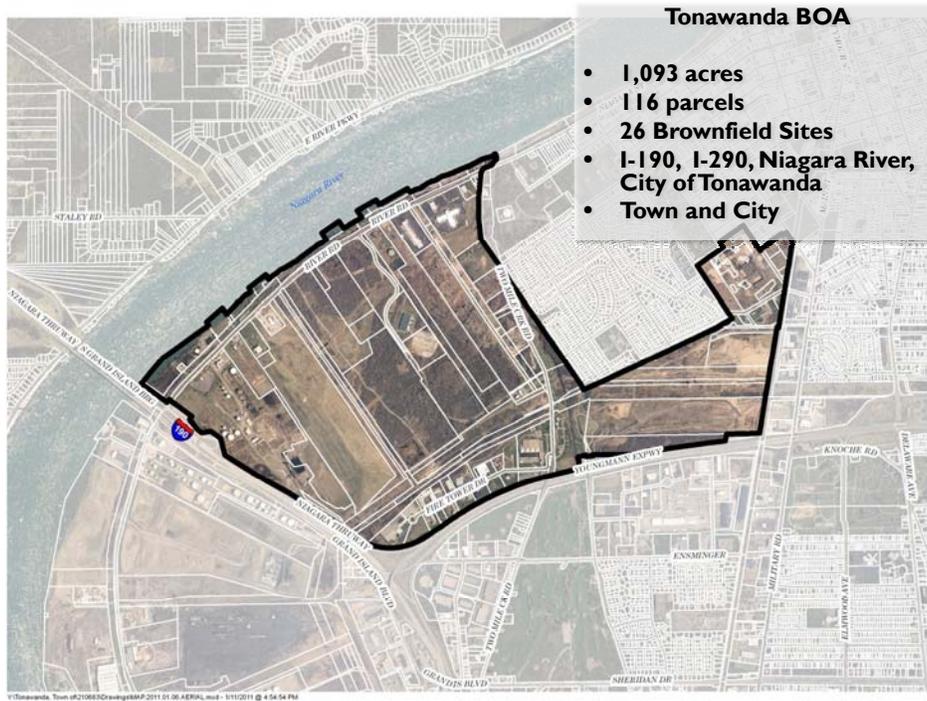


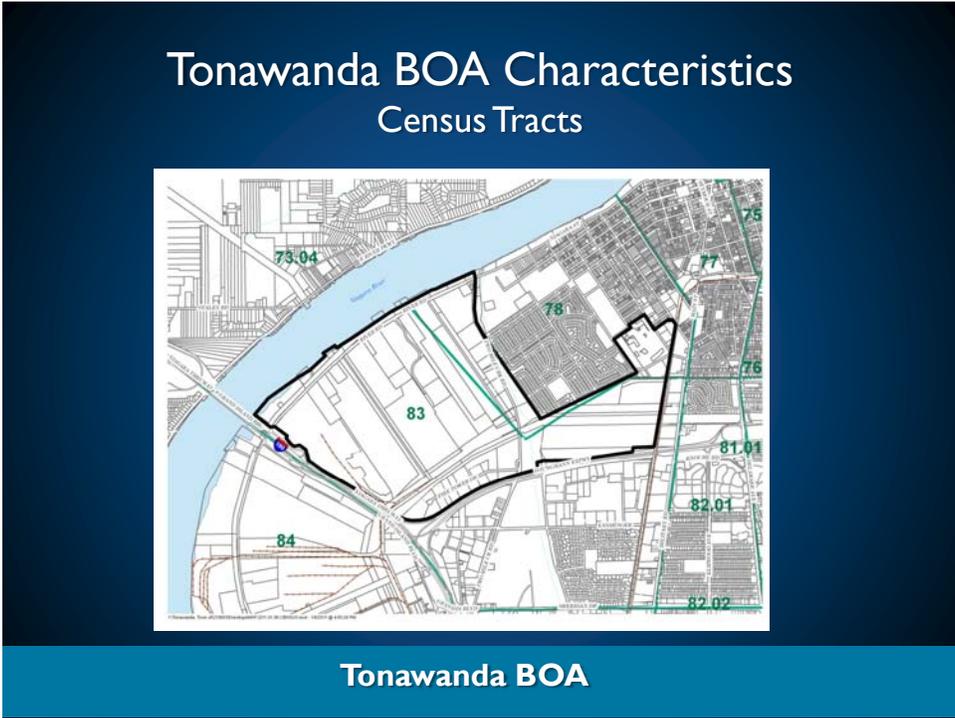
BOA Analysis and Plan

	Low Contamination	High Contamination
High Development Potential	Developer Sites	Public – Private Partnership
Low Redevelopment Potential	Public Sector Projects	Cleanup & Closure

Source: Rutgers University, Brownfields Capacity Building Assistance program for CBOs

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Tonawanda BOA Characteristics Population

Area	Population (Year)			Change 1990-2000		Change 2000-2009	
	1990	2000	2009 (Est.)	Number	Percent	Number	Percent
Census Tract 78	6,154	5,615		(539)	-8.8%		
Census Tract 83	3,076	2,864		(212)	-6.9%		
City of Tonawanda	17,284	16,136	14,766	(1,148)	-6.6%	(1,370)	-8.4%
Town of Tonawanda	82,464	78,155	71,749	(4,309)	-5.2%	(6,406)	-8.1%
Erie County	968,532	950,265	909,247	(18,267)	-1.8%	(41,000)	-4.5%
New York State	17,990,455	18,976,457	19,541,453	986,002	5.5%	564,996	3.0%

Source: U.S. Bureau of the Census

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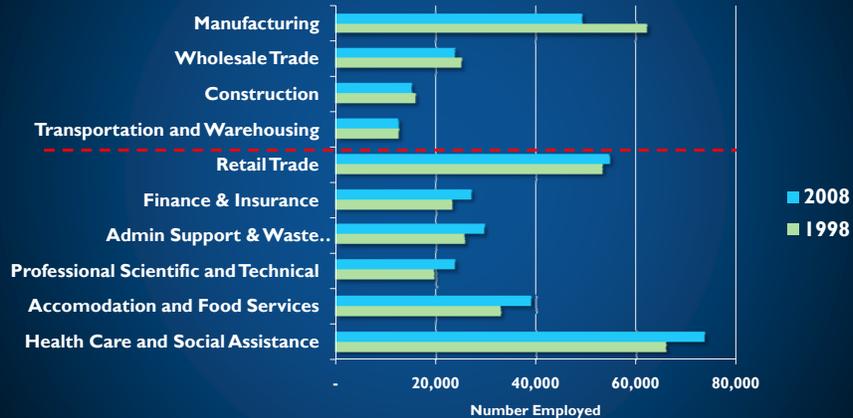
Tonawanda BOA Characteristics Census Tract (Neighborhood) Profiles

Subject	Tract 78	Tract 83	City of Tonawanda	Town of Tonawanda
Housing Vacancy Rate	5.0%	10.9%	5.3%	3.9%
% Housing Units Owner Occupied	75%	21.3%	72.5%	72.9%
% Housing Units Renter Occupied	25%	78.7%	27.5%	27.1%
% High School Graduates	83.8%	76.7%	85.2%	87.5%
% Individuals Below Poverty Level	9.3%	37.7%	7.1%	6.9%
% Homes Built Before 1939	25.3%	14.5%	41.4%	20.5%
1999 Median Household Income	\$ 36,956	\$ 17,490	\$ 37,523	\$ 41,453
1999 Per Capita Income	\$ 18,109	\$ 10,649	\$ 18,789	\$ 20,947
1999 Median Housing Value	\$ 75,500	\$ 75,800	\$ 73,400	\$ 85,100
Median Age	41.5	28.3	38.9	41.1

Source: U.S. Bureau of the Census

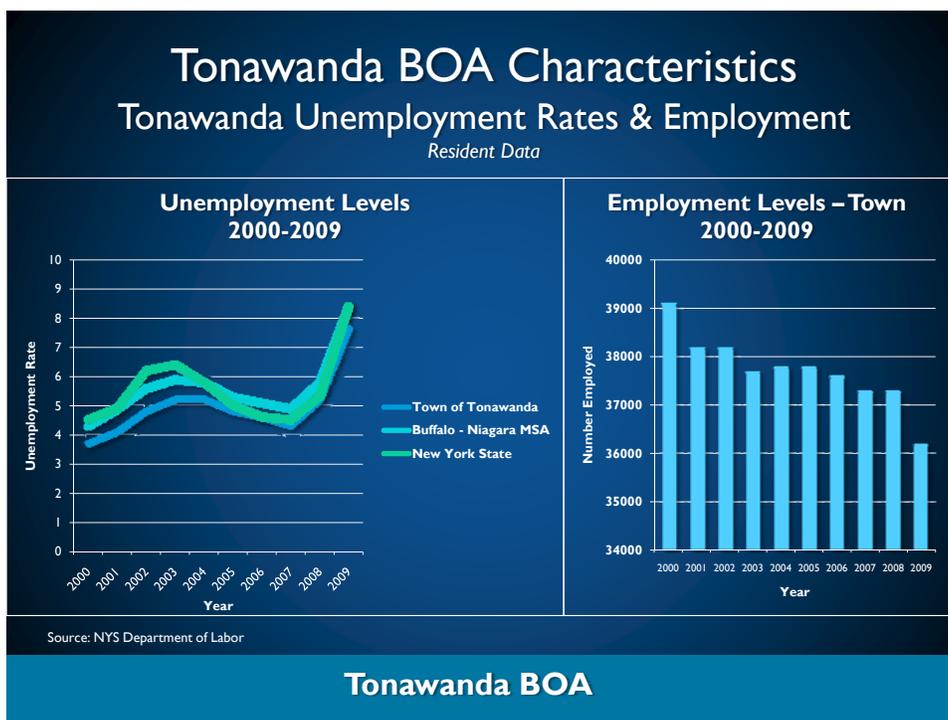
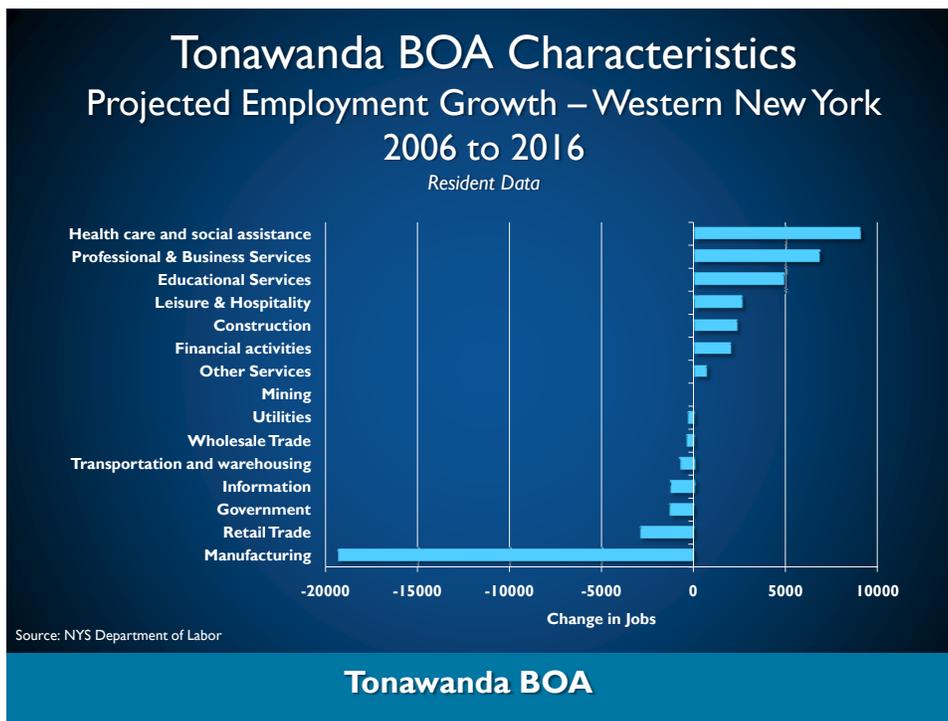
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Tonawanda BOA Characteristics Industry Employment – Erie County *1998 and 2008*



Source: U.S. Bureau of the Census, County Business Patterns

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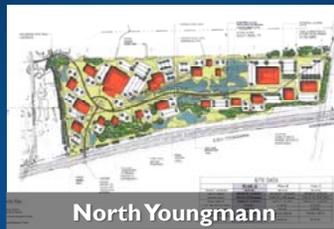
Tonawanda BOA Characteristics Relevant Plan Recommendations

- Comprehensive Plan
- Local Waterfront Revitalization Plan
- Waterfront Land Use Plan
 - Roadway System/Connectivity
 - River to Spaulding Fibre via proposed North Youngmann Center
 - Shovel Ready Economic Development
 - River Road Image
 - Environmental Protection/Remediation



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Tonawanda BOA Characteristics Current or Planned Development

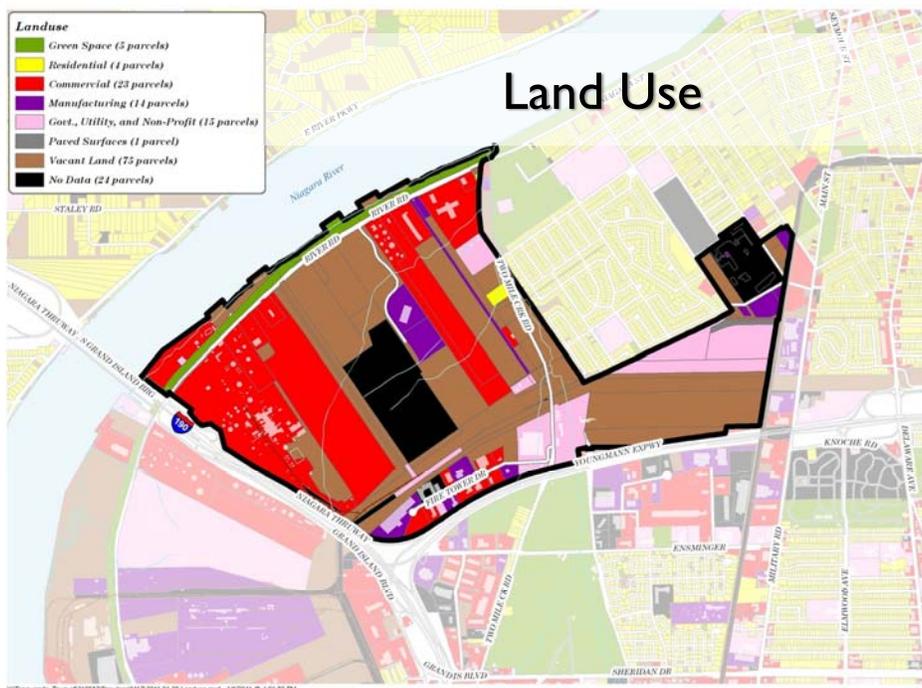
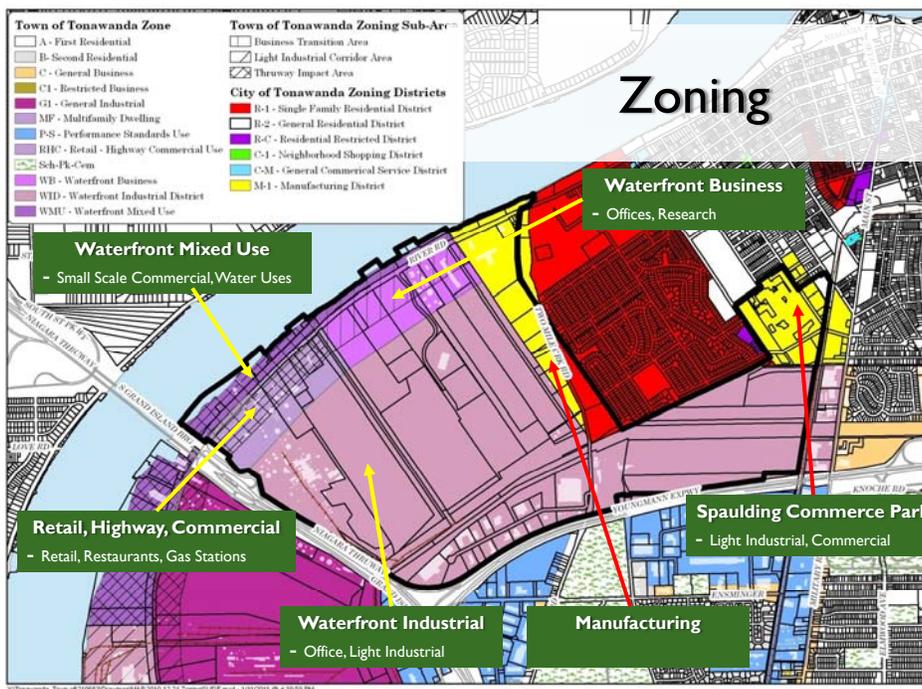


5335 River Rd.



Spaulding Commerce

Tonawanda BOA



Tonawanda BOA Characteristics

Identified Brownfield Sites Within the Pre-Nomination BOA

- 26 parcels identified within the BOA as potential brownfields.
- Multiple site reconnaissance trips
- Review of environmental records and historical aerial photographs from 1927, 1951 and 1972.



Tonawanda BOA

Tonawanda BOA Characteristics

Identified Brownfield Sites Within the Pre-Nomination BOA



- 5335 River Road
 - Former above and underground tank farm
 - 5 *areas of concern* (AOCs) identified
 - October 2010 Site Investigation Report:
 - 3 AOCs cleaned up; 2 remain
 - Pipeline
 - Potential Orphan USTs
- 5565 River Road
 - Historically used for disposal of industrial waste
 - November 2010 Preliminary Site Assessment recommended further investigation for industrial waste

Tonawanda BOA

Tonawanda BOA Characteristics

Identified Brownfield Sites Within the Pre-Nomination BOA

- 5445 River Road
 - Leaking 250-gallon ASTs
 - Historical scrap/salvage yard
- 4545 River Road
 - United Refining Waterfront Property
 - Petroleum contamination discovered in soil in 1994/1995
 - Associated with improper drum disposal



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Tonawanda BOA Characteristics

Formerly Utilized Sites Remedial Action Program (FUSRAP) Sites



- Ashland I – FUSRAP-related materials cleanup completed in 2003
- Ashland II – FUSRAP-related materials cleanup completed in 1999
- Rattlesnake Creek – FUSRAP-related materials cleanup completed in September 2005 - suitable for commercial and industrial use
- Seaway Landfill
 - FUSRAP-related materials being managed
 - Record of Decision (ROD) executed on October 25, 2009
 - Multiple systems in place to prevent leaching of radiological and hazardous substances

Tonawanda BOA

Tonawanda BOA Characteristics

Formerly Utilized Sites Remedial Action Program (FUSRAP) Sites

- Future North Youngmann Commerce Center
 - ROD executed on September 30, 2008
- Tonawanda Landfill
 - FUSRAP-related materials need to be removed
 - Portions of the Town Landfill are currently being closed and capped
 - Under investigation by the USACE
 - Local officials and NYSDEC demand complete removal of FUSRAP-related materials



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Brownfield Redevelopment Incentives

NYS Brownfield Cleanup Program (BCP)

Contamination Can be a Good Thing

- If you Currently Own or Anticipate Owning a Brownfield Property:
 - Brownfield Cleanup and Redevelopment Tax Credit
 - Brownfield Real Property Tax Credit
 - Brownfield Insurance Credit
- Best State Incentive Available
- BOA provides information for BCP, Tax benefits



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Brownfield Redevelopment Incentives

Brownfield Cleanup Program (BCP) Tax Credits

- BCP Brownfield Cleanup/Remediation Credit:
 - REFUNDALBE and the cleaner the site, the greater the credit



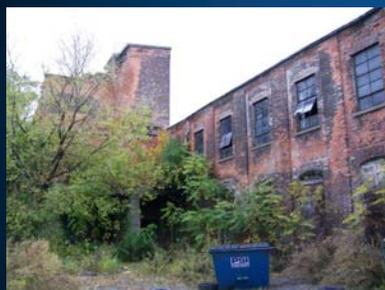
- BCP Brownfield Redevelopment /Tangible Property Credit:

- REFUNDALBE - Initial 10% (personal), 12% (corporation)
 - + 2% for unrestricted use
 - + 8% in Environmental Zone
 - + 2% within BOA

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Brownfield Redevelopment Incentives

Other BCP Benefits



- Remediated Brownfield Tax Credit (10 year benefit period)
 - Real Property Tax CREDIT equal to up 100% of real property tax
 - > 25 employees on site
- BCP Insurance Tax Credit
 - \$30,000 or
 - 50% of premiums
 - One time

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Brownfield Redevelopment Incentives

Brownfield Opportunity Program (BOA) Benefits

- Owner/Potential Owner
 - 2% Additional BCP
Redevelopment Tax Credit
 - Upfront Due Diligence
 - Identify Potential Liabilities
 - Identify Potential Financial
Opportunities



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Brownfield Redevelopment Incentives

Brownfield Financial Incentive Planning Tips



- Plan early
 - Get a Professional team (attorney, engineer, architects, etc.) in place ASAP
 - Establish Timelines
- Identify All Incentives Up-Front
 - Best to identify/analyze all benefits together
- Overlap Incentives
 - Overlap financial Incentive Planning with site acquisition, permitting, and lending considerations and timing

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Brownfield Redevelopment Incentives Other Incentives

Local	Industrial Development Agencies Revolving Loan Funds Local Development Corporations
New York State	BOA Enhanced Tax Credit Brownfield Cleanup Program NYS Rehabilitation Tax Credits Excelsior Program Build Now New York Linked Deposit Program NYSERDA
Federal	HUD Community Development Block Grant Economic Development Administration (EDA) HUD Brownfield's Economic Development Initiative (BEDI) New Market Tax Credits Federal Historic Tax Credits
Other	EB-5 Foreign Investment Program

*** See hand out materials for more information on programs

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Brownfield Redevelopment Incentives Case Study

- Seneca Market Site – Harbor Hotel – Watkins Glen, NY
 - Former drycleaner, bus garage and auto repair facility (~3 acres)
 - Great location w/ Seneca Lake view
 - Former NYSDEC Superfund site
 - Planned upscale 100-room hotel



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Brownfield Redevelopment Incentives Case Study – Harbor Hotel, Watkins Glen, NY



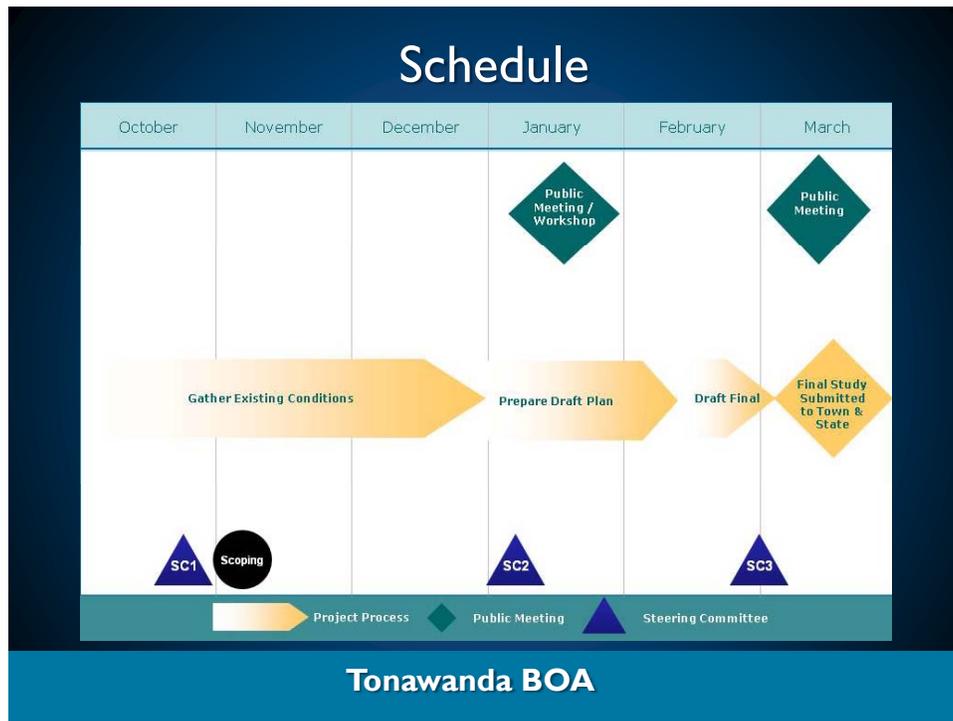
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Brownfield Redevelopment Incentives Case Study – Harbor Hotel, Watkins Glen, NY

Project Costs and BCP Tax Credits at Work

- NYSDEC Oversight/Legal Costs = \$50K
- Environmental/Site Prep = \$700K
- Development Costs = \$13M
- BCP Remediation/Site Prep Credit (25%) = (\$188K)
- BCP Redevelopment/Tangible Property Credit (10%) = (\$1.4M)
- **Total Project Cost = \$14,500,000**
- **Total BCP Credits = \$1,588,000 (Refundable premium of \$838,000)**
- **Net Cost = \$12,912,000**

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- ## Next Steps
- Prepare Draft Plan
 - Market Analysis
 - Stakeholder Discussions
 - Recommendations
 - Economic
 - Environmental
 - Quality of Life/Social
 - Preliminary “Master Plan” Concepts
 - Final Public Meeting
 - Late Spring/Summer
 - Review of Draft Plan, Recommendations
- Tonawanda BOA**

Project Information

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