



NEW YORK STATE SENATOR

Timothy M. Kennedy

Buffalo, Rochester Senators Kennedy and O'Brien Call for Brownfield Cleanup Program to be Extended This Year

TIMOTHY M. KENNEDY June 9, 2014

| ISSUE: **ECONOMIC DEVELOPMENT**



Brownfield Cleanup Program Has Proven Effective in Redeveloping Abandoned and Contaminated Industrial Properties to Revitalize Economies of Buffalo, Rochester, Cities across Upstate New York.

If Program is Allowed to Expire, Several Local Projects Would be Put at Risk – Kennedy and O'Brien want it extended this year to provide stability and certainty needed to get major remediation and redevelopment projects started.

Since 2008, over 40 projects in the Buffalo-Niagara region have participated in the Brownfield Cleanup Program, resulting more than \$500 million in investment, according to the NYS Economic Development Council.

ALBANY, N.Y. – Senators Tim Kennedy of Buffalo and Ted O’Brien of Rochester today renewed their call for the Brownfield Cleanup Program to be extended this year. The Brownfield Cleanup Program – which will expire next year – provides incentives and support to remediate environmental contamination and redevelop abandoned industrial properties. Allowing the program to expire or delaying its extension will put several local projects at risk and thwart efforts to return brownfields to productive use. Since 2008, over 40 projects in the Buffalo-Niagara region have taken advantage of the Brownfield Cleanup Program, which will result in over \$500 million in new investment, according to the New York State Economic Development Council.

Without this program, cleaning up environmental contamination will likely prove too costly and impede the redevelopment of abandoned industrial lands – which are prevalent across much of Upstate New York. Kennedy and O’Brien want to ensure the Brownfield Cleanup Program is extended this year to help sustain the economic momentum that is fostering new growth in Buffalo and Rochester.

“Western New York has a rich industrial heritage, but unfortunately, when factories close up shop, they leave behind large industrial properties abandoned and contaminated,” said **Senator Tim Kennedy**. “New York State’s Brownfield Cleanup Program has proven vitally important to bringing new life and new jobs to those long vacant properties left decaying after industry moved elsewhere. For years, Buffalo, Rochester and cities across Upstate New York suffered under cycles of divestment, decline and neglect. With our communities finally overcoming these negative trends and our economies recovering, it is critical that the program be extended this year to help fuel the economic momentum driving job creation and new development in Western New York and across the state.”

“The Brownfield Cleanup Program is smart economic and environmental policy that has been an important driver of economic growth in Upstate New York,” said **Senator Ted O’Brien**

. “The program enjoys broad support from business and environmental organizations and is vital to the continuation of a number of promising projects in the Monroe and Ontario County communities I represent. I urge the Senate leadership to extend this common-sense program and allow it to continue helping to revitalize the Upstate economy.”

Several local developers have expressed concerns that the expiration of the program – or continued uncertainty about its future – could disrupt plans to remediate and redevelop vacant industrial properties. The Buffalo News recently reported that developer Peter Krog’s plans to renovate and transform the historic Trico Building in downtown Buffalo could be brought to a halt if the Brownfield Cleanup Program expires. Projects like this create hundreds of construction jobs and permanent jobs once complete.

At the former Bethlehem Steel site in Lackawanna – which needed \$3.8 million in environmental remediation through the Brownfield Cleanup Program – major projects like Steelwinds, Welded Tube and the Tecumseh Business Park have led to a total investment of \$294 million, according to local economic development groups.

At separate events in Buffalo and Rochester today, the cities were recognized for their efforts to put the state’s brownfield programs to work. New Partners for Community Revitalization, a leading brownfields policy group, named the South Buffalo Brownfield Opportunity Area (BOA) and the Vacuum Oil BOA in Rochester as Outstanding BOAs among the over 125 communities across the state that participate in the BOA program. BOA was created in 2003 as part of the state’s Brownfields law. Since 2008, about \$1.7 billion in public and private investment has been made within the South Buffalo BOA – which is leading to new job growth and economic development.

Kennedy and O’Brien, as the ranking Democrats on the Economic Development Committee and Environmental Conservation Committee respectively, are concerned about the negative

impact on the economy and environment of Upstate New York if the program comes to an end. The lawmakers today wrote to legislative leaders in the Senate to urge them to ensure the Legislature votes to approve an extension of the Brownfield Cleanup Program this year.

In their letter, the upstate lawmakers write, "Without the program, vacant industrial lands will remain eyesores and health hazards holding back the revitalization of our communities. Heavy industry and manufacturing have historically been key economic sectors providing opportunities for regional growth and good-paying jobs to strengthen our middle class. However, when some of those factories closed up shop years ago, they left behind large industrial properties abandoned and contaminated. To get those lands cleaned up, restored and returned to productive use, New York State needs to extend the Brownfield Cleanup Program."

FULL TEXT OF KENNEDY AND O'BRIEN'S LETTER TO LEGISLATIVE LEADERSHIP:

June 9, 2014

Dear Senators Skelos and Klein:

We write in pursuit of a long-term extension of the Brownfield Cleanup Program, which we hope to see approved before the end of this year's legislative session. As senators representing the Buffalo- and Rochester-areas, we know first-hand that this program has been an important tool supporting the redevelopment of abandoned, contaminated lands and driving the revival of our regional economies.

It is critical that we reach an agreement to renew and extend the program, and the Senate should make negotiations surrounding this economic development program a top priority. We urge you to help us ensure the Legislature votes to approve an extension of the Brownfield Cleanup Program this year.

While the program does not expire until next year, it is absolutely necessary for a vote to extend and preserve it to be held before the end of this year's session. Fostering growth and encouraging redevelopment requires stability and predictability. Delaying the extension of the program will leave it with an uncertain future and put several local projects at risk. In cities like Buffalo and Rochester, incentives and support for industrial remediation and redevelopment are key to getting projects off the ground and completed.

Without the program, vacant industrial lands will remain eyesores and health hazards holding back the revitalization of our communities. Heavy industry and manufacturing have historically been key economic sectors providing opportunities for regional growth and good-paying jobs to strengthen our middle class. However, when some of those factories closed up shop years ago, they left behind large industrial properties abandoned and contaminated. To get those lands cleaned up, restored and returned to productive use, New York State needs to extend the Brownfield Cleanup Program.

Buffalo and Rochester recently received important recognition for the redevelopment underway as a result of the program. The South Buffalo Brownfield Opportunity Area and the Vacuum Oil, Rochester BOA were honored as outstanding BOAs from New Partners for Community Revitalization for the planning that went into the BOAs and the impact they're making. The Brownfield Cleanup Program launched efforts to create BOAs across the state, which have been especially successful in Buffalo and Rochester.

As you know, the Brownfield Cleanup Program has received some deserved criticism. Incentives should not be used to finance projects that would likely have been started and completed without them. The state needs to invest its limited resources wisely, and we should ensure the program is not exploited or misused to the detriment of other important projects across Upstate New York. We should make improvements to the program, but we cannot allow it to expire – the negative consequences to Buffalo, Rochester and other

upstate cities would be extremely harmful and must be avoided.

Already, developers are concerned that expiration of the program or continued uncertainty about its extension will disrupt their plans for major redevelopment projects. For example, the developer who is setting plans to bring new life to the historic Trico in downtown Buffalo believes an end to the Brownfield Cleanup Program could mean the end for his historic rehabilitation project. Extending the program will help fuel the economic momentum that is revitalizing the economies of Buffalo and Rochester, while delay will only slow down and impede progress.

Again, we respectfully request that the Senate make the Brownfield Cleanup Program a priority and vote to extend it this year. Thank you for your ongoing work to spur economic growth across our state. We appreciate your consideration, and we encourage you to contact us if you would like to discuss this matter further.

Sincerely,

Timothy M. Kennedy

New York State Senator, 63rd District

Ted O'Brien

New York State Senator, 55th District

CC: Democratic Conference Leader Andrea Stewart-Cousins

