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BOA and its Impact on Community Revitalization and Investment

Strengthening Pre-Planning for Successful Land Reuse in Brownfield-Impacted Communities Throughout New York State

Thank you Chair Kruger, Chair Weinstein and members of the Senate Finance and Assembly Ways and Means Committees, and Chair Kaminsky, Chair Englebright and members of the Senate and Assembly Environmental Conservation Committees for the opportunity to testify at this Joint Legislative Budget Hearing on Environmental Conservation. We represent the Center for Creative Land Recycling (CCLR) and we are here to thank you and ask you for your continued support for the Brownfield Opportunity Areas (BOA) program, an environmental justice program with an outsized impact on community well-being and revitalization.

Specifically, we are here to urge you to support BOA at the \$2 million level recommended in the Governor's proposed 2020-21 Environmental Protection Fund budget. We are pleased to share this update on how this program benefits brownfield-impacted communities.

CCLR is the leading national nonprofit dedicated to transforming communities through land reuse. This means converting abandoned or vacant commercial and industrial properties to assets that benefit the community, create jobs and generate new tax revenues. As US EPA's Technical Assistance to Brownfield Communities provider for the State of New York, we help transformations happen by educating and linking communities to government agencies and the private sector to create optimal conditions for reinvestment. We are the leading advocate for the BOA program. This June, CCLR will host here in Albany its 5th Annual New York State Redevelopment Summit: Land Reuse Lessons for 2020 Foresight. Last year, over 300 developers, municipal and community leaders, redevelopment specialists and state government officials participated, including many BOA communities.

New York has been a leader in its vision and commitment to economic development programs that advance environmental justice and anti-poverty objectives. The Brownfield Opportunity Areas grant program was developed with a unique

mission: to support community-based master planning in poorer communities and communities of color that lack the economic vitality to attract catalytic investment. BOA grantees are communities that have been left behind by economic development programs and are, for the most part, ignored by private development interests. BOA grants provide the tools to help them reverse these trends and build capacity for economic growth.

The BOA program is now over 15 years old and despite some bumps in the road, turned what began as an experimental approach to bringing resources to poor and minority communities into a vehicle for transformation. There are now 57 designated BOAs, spanning all 10 Regional Economic Development Council regions. With some focused updating to better mesh with the Governor's current economic development programs, BOA can enhance its critical role in bringing public and private investment to the State's most blighted neighborhoods.

Background:

The Brownfield Opportunity Areas program was created as part of the package of bills enacted by the State in 2003 to encourage the cleanup and redevelopment of contaminated sites (brownfields) across the state. The core innovation of this legislation was drawing development interest to low-income communities burdened with multiple brownfields and poverty. The goal was to break the cycle in these communities of blight perpetuating economic stagnation, and the economic stagnation perpetuating blight. Housed in the Department of State, the BOA program helps these communities create a vision that would attract public and private funding, in much the same way the Governor's Downtown Revitalization Initiative (DRI) spurs and funds economic innovation in selected municipalities.

A 2016 report evaluating the success of the BOA program revealed the following:

- The program has brought community stakeholders together around a shared vision for future development.
- Plans that come out of the BOA process are being adopted as part of local comprehensive planning and rezoning.
- Land values are going up at marginally higher rates in BOA communities than in comparable non-BOA communities, with the highest valuations seen in communities that have been in the program the longest.
- BOA funds have been essential to filling funding gaps, leveraging additional grants, and serving as part of the tool kit for attracting private investment. Today, BOA is working to transform neighborhoods that otherwise would be left behind by other programs, including Brownfield Cleanup program and its tax credits.

BOA at Work in Communities Throughout the State:

In 2019 alone, the following projects were selected from across the state to receive BOA grants through the REDC Consolidated Funding Application process:

- *City of Dunkirk, Chautaugua County*-will market brownfield sites to attract investment and redevelopment.
- *City of Lackawanna, Erie County IDA, Bethlehem Steel Shoreline Enhancement*-will undertake predevelopment activities, including design landscaping amenities along the Shoreline Trail.
- *City of Batavia, Genesee County*- will advance redevelopment of BOA strategic sites by undertaking pre-development activities including preliminary engineering and architectural studies, zoning updates and marketing.
- *City of Geneva, Ontario County, Geneva North End Open Space and Connectivity Strategy*- will study feasibility and develop schematic designs to connect the downtown and waterfront cut off by highway infrastructure.
- *Town of Clay, Onondaga County, Three Rivers Point Pre-Development*- will survey and assess the redevelopment of this area by undertaking a topographic survey and delineate wetlands.
- *Gloversville, Fulton County*- will prepare a Brownfields Opportunity Area Nomination study for 197 acres of property, with the goal of creating jobs and investment.
- *Herkimer Village of Dolgeville*- will complete a BOA Nomination Study of 12 potential brownfield sites.
- *Ogdensburg, St. Lawrence County*- will develop and implement marketing strategies for catalytic brownfield sites along the waterfront to attract a developer.
- *Cohoes, Albany County* - will design multi-modal streetscape plans for the primary route that connects the downtown and waterfront areas.
- *Philmont, Columbia County*- will undertake pre-development activities, including design and development plans for the waterfront park and a community plaza.
- *Greenwich, Washington County*- will complete a BOA Nomination Study for a 385 acre area containing 45 vacant, abandoned, or brownfield sites.
- *City of Poughkeepsie, Dutchess County, Schatz Redevelopment BOA*- will complete a BOA Nomination Study to develop an adaptive reuse plan and feasibility for reuse and redevelopment of the lot on the former Schatz Federal Company.
- *Fifth Ave Committee, South Brooklyn BOA* - will complete the BOA Nomination Study of a 453-acre area containing 24 potential brownfield sites in South Brooklyn.
- *North Hempstead, Nassau County*- will undertake pre-development activities, including the preparation of a market analysis, feasibility study and

marketing plan to create a development package for five to ten priority strategic sites.

DRI & BOA: Synergistic Programs That Create Funding Efficiencies:

The BOA legislation, an innovation championed by Environmental Justice leaders, is housed in the Department of State. BOA is helping communities create a vision that will attract public and private funding, in much the same way the Governor's Downtown Revitalization Initiative (DRI) spurs and funds economic innovation in selected municipalities.

Ironically, it was the DRI that ultimately revealed how important BOA is to downtown revitalization across the state. BOA and the DRI were developed independently to address specific problems. The BOA program was focused on contaminated properties in poor communities, while the DRI supported integrated regional development. In this year's budget, you are being asked to support the Governor's 5th round of funding for the DRI program. For the past 4 years, you have approved funding of \$100 million, which is available in ten grants of \$10 million to fund urban redevelopment projects that compete through the Regional Economic Development Council (REDC) process. This is a popular and landmark program that rewards ambitious, viable plans. At the beginning of DRI, the unanswered question was how can poor communities, and economically challenged towns who can't afford planners, meaningfully compete for these funds?

The answer, in many cases, turned out to be BOA. The compatibility of the two programs has created an exciting dynamic for cities across the state. Five of the first 10 DRI awards went to projects that started or overlapped BOAs. By the end of round four, more than a quarter of all funded DRI projects overlapped or were completely contiguous with BOAs.

As the role of BOA in the success of the DRI has become clear, the program has gained new support. BOA is now a part of the Combined Funding Application (CFA) process, and, for the first time in years, the Department of State is allowing new applicants to enter the program. The renewed interest in, and impact of, BOA is largely due to the hard work of Department of State staff and their commitment to improving the lives of New Yorkers adversely impacted by abandoned and contaminated properties.

It's a simple story, but one we wanted to share. Your past support of the \$2 million BOA line in the EPF has been an excellent investment. We hope, someday, that line will increase in a growing EPF. But for today, we urge you to continue to support the proposed \$2 million BOA appropriation.