

Annual Report



NIAGARA
COUNTY
BROWNFIELD
DEVELOPMENT
CORPORATION

Submitted: December 15, 2020

MISSION STATEMENT

The Niagara County Brownfield Development Corporation (NCBDC) is a not-for-profit corporation formed in October 2008 by the Niagara County, New York Legislature. The NCBDC was created to establish and operate the Niagara County Brownfields Cleanup Revolving Loan Fund (BCRLF) program. Through the BCRLF, the NCBDC provides financial assistance in the form of low-interest loans and grants to eligible entities for remediation of brownfield sites throughout Niagara County. Revitalizing and returning brownfield sites to productive use creates jobs, contributes to the tax base, and eliminates the potential risk to public health and the environment.

CORPORATION STRUCTURE

The Niagara County Legislature created the NCBDC in 2008 to implement the Niagara County BCRLF Program. Funding for the NCBDC is provided by Niagara County through competitively awarded brownfield cleanup revolving loan fund grants from the United States Environmental Protection Agency (USEPA). In conjunction with the federal fiscal year, the NCBDC's fiscal year runs from October 1st to September 30th of each year.

The NCBDC is governed by a three member board of directors. Per the NCBDC by-laws, the members of the corporation consist of the individuals holding the following positions:

- a. Chairman of the Board of Legislators, Niagara County
- b. Executive Director, Niagara County Industrial Development Agency
- c. Mayor, City of Niagara Falls

For the 2020 Fiscal Year, the above positions were held by the following individuals:

- a. Richard E. Updegrove, Vice Chairman (by proxy)
- b. Michael A. Casale, Secretary (by proxy)
- c. Robert Restaino, Chairman

In addition to the members, the NCBDC has two Executive Officers elected by the Board of Directors. For the 2020 Fiscal Year, the Executive Officers were as follows:

- a. President – Amy E. Fisk
- b. Treasurer – Jacqueline P Minicucci

2020 ACCOMPLISHMENTS

During the 2020 fiscal year (October 1, 2019 to September 30, 2020), Niagara County continued to implement the BCRLF program and achieve established performance measures. Performance measures include continuing work on remediation projects and beginning the process of returning vacant properties back to productive use.

Seven projects were ongoing in 2020 and are discussed in detail below.

Competition Transmission Site, City of North Tonawanda

The Riviera Theatre & Organ Preservation Society, Inc. purchased a former automotive facility in the City of North Tonawanda as part of a theater expansion project. In January 2013, the NCBDC approved a \$350,000 subgrant for site remediation. Asbestos abatement, building demolition, and soil and groundwater remediation are complete. A final engineering report and deed restriction were drafted and are pending approval. Once completed, the site will be ready for reuse as part of a theater expansion project.



50 Elmwood Avenue, City of Lockport

210 Walnut Street LLC, a subsidiary of the Greater Lockport Development Corporation, acquired the vacant property. Past uses included a foundry, multiple dwellings, automotive garage, lumber yard, and a parking lot. In December 2019, the NCBDC approved a \$325,000 subgrant for site remediation. Benchmark was hired as the environmental engineer for the project and remedial investigation efforts are ongoing. Onsite remediation is planned for 2021.



211 Main Street, City of North Tonawanda

Enterprise Lumber and Silo LLC purchased the vacant industrial building with the intention of converting the space into Class A professional office space. The site is enrolled in the New York State Brownfield Cleanup Program (NYS BCP). In August 2019, the NCBDC executed a \$400,000 loan to assist with site remediation. Remedial investigations were completed and NYS approval of the remediation workplan is pending. COVID-19 restrictions halted site progress for several months preventing additional loan drawdowns. A significant amount of unknown contamination was discovered and additional funding is needed to meet NYS remediation requirements. A loan modification request will be forthcoming.



4435-4445 Military Road, Town of Niagara

Known as the Grenga Site, the property was previously used for a variety of commercial operations including a dry cleaner, gas station, automotive repair facility, and tire sales. The Town of Niagara acquired the tax delinquent property and in 2018, a \$325,000 subgrant was approved for site remediation. Asbestos abatement and building demolition were completed in March 2020 and a plan for soil remediation is currently being reviewed by NYSDEC.



624 River Road, City of North Tonawanda

The 5 acre property is on the Niagara River and for over 90 years was part of the Tonawanda Iron Works mill. The property has an existing one-story commercial building that is partially occupied. Soil contamination consists of low level metals. The NCBDC approved a \$500,000 loan in December 2019 and loan closing occurred in March 2020. All site work was put on hold because of restrictions imposed by COVID-19 and further economic issues temporarily halted project progress. In order for the project to be economically feasible, a loan modification request will be forthcoming. No loan drawdown have been made to date.



128 Walnut Street, City of Lockport

The Greater Lockport Development Corporation acquired the vacant 14,944 sq.ft. building with the intention of marketing the site for redevelopment. In February 2019, the NCBDC executed a \$300,000 subgrant for asbestos abatement and soil remediation. During remediation, a significant amount of unexpected asbestos was found and the subgrant amount was increased to \$350,000. Remediation is complete and the final engineering report and site management plan are being reviewed. The building will be reused for a mixed-use facility with dining, event space, and housing.



13 West Main Street, City of Lockport

The 0.3 acre property was formerly a bowling alley, restaurant, bar, and retail operations. In July 2020, the Greater Lockport Development Corporation was awarded a \$300,000 subgrant for remediation. LaBella Associates was hired as the environmental engineer for the project and remedial planning efforts are ongoing. Onsite remediation is planned for 2021.



Financial information for the seven active projects is detailed in Table 1.

Table 1. Financial Information for Active Projects

Project Name	Funding Amount	Date of Issuance	Amount Dispersed	Remaining Balance
Competition Transmission	\$350,000	03/25/13	\$315,231	\$34,769
50 Elmwood Avenue	\$325,000	01/23/20	\$6,836	\$318,164
211 Main Street	\$400,000	08/07/19	\$66,889	\$333,111
4435-4445 Military Road	\$325,000	10/18/18	\$139,631	\$185,369
624 River Road	\$500,000	03/06/20	\$500,000	\$500,000
128 Walnut Street	\$300,000	02/26/19	\$350,000	\$0
13 West Main Street	\$300,000	08/31/20	\$0	\$300,000

Loans were previously issued to Santarosa Holdings Inc and Rock One Development LLC for site remediation. Both loans are in repayment. Details of the loans are provided in Table 2.

Table 2. Financial Information for Loans in Repayment

Project Name	Santarosa Holding Inc.	Rock One Development, LLC
Loan Amount	\$376,386	\$290,879
Loan Closing Date	12/22/15	08/03/15
Interest Rate	0.5%	0.5%
Term	84 months	108 months
Principal Paid in FY20	\$44,974	\$36,101
Interest Paid in FY20	\$632	\$999
Loan Balance as of 9/30/19	\$126,929	\$180,144

FINANCIAL REVIEW

Upon incorporation of the NCBDC in October 2008, the Corporation was funded with a \$1 Million grant awarded to Niagara County from the USEPA. The grant award required a 20% or \$200,000 cost share match from Niagara County. In October 2009, Niagara County received a \$900,000 BCRLF grant from the USEPA through the American Recovery and Reinvestment Act with no cost share match requirement. During the 2012, 2013, 2017, 2019, and 2020 fiscal years, Niagara County received additional grant awards totaling \$2,525,000. The supplemental grant awards require a 20% cost share match totaling \$505,000. The total USEPA funds available to the NCBDC since inception are \$4.4 Million with an additional \$705,000 cost share match requirement. In addition, program income from loan application fees and loan principal and interest repayments are available for use by the NCBDC. A summary of the 2020 budget is provided in Table 3.

Table 3. Budget Summary for 2020 Fiscal Year (October 1, 2019 – September 30, 2020)

Category	2020 Amount Expended
Project Expenses	\$568,731
Professional and Administrative Fees	\$33,122
Insurance Expense	\$2,076
Total Expenses	\$537,040
Cost Share Match Requirement	\$125,459
Subgrant Disbursements	\$501,842
Loan Disbursements	\$66,889

The NCBDC has no paid staff and board members serve without compensation. At the end of Fiscal Year 2020, the NCBDC did not own any property.

An assessment of the effectiveness of the NCBDC internal control structure and procedures is part of the annual independent certified audit.

The NCBDC Code of Ethics adopted on December 10, 2008 remains in effect.

CERTIFICATION

Based upon the Executive Officers' knowledge,

- (i) the information presented in this report is accurate, correct, and does not contain any untrue statement of material fact;
- (ii) does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which the statements are made; and,
- (iii) fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in the financial statements.

Amy E. Fisk, President / Date

Jacquiline P Minicucci, Treasurer / Date