



Olean's industrial legacy: The city's vision for the redevelopment of the Buffalo St. corridor

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The city of Olean's economy has traditionally been driven by manufacturing sector employment opportunities. In the 1800s, the Buffalo St. corridor was the home to tanneries, railroad yards, chemical manufacturers and machine shops. In the early 1900s, Olean was the home of the largest oil storage facility in the world and a petrochemical complex owned by former Standard Oil of N.Y. monopoly. By the 1980s, most of the industry was gone, leaving only a legacy of industrial contamination, brownfields and underutilized properties. Starved for economic development, the city of Olean watched numerous opportunities unravel as potential developers passed over the Buffalo St. brownfields to acquire greenfield properties located outside of the city.

A Leap of Faith

In 2002, TVGA approached John Sayegh, executive director of the Cattaraugus County Empire Zone and the city of Olean Urban Renewal Agency with a proposal to investigate the former Felmont Oil property. The property had been vacant and tax delinquent for over a decade; however, real property foreclosure proceedings were never initiated because of environmental concerns. Mary George, community development coordinator, was instrumental in opening a dialog with city leaders. Naturally the city was concerned about liability issues in connection with the acquisition of property in this area. TVGA, however, had worked with a number of municipalities to successfully inventory, assess and remediate brownfield properties utilizing U.S. Environmental Protection Agency and NYS Dept. of Environmental Conservation programs.

In TVGA's eyes, the 1996 Clean Water/Clean Air Bond Act's Environmental Restoration Program was one of the most viable economic development tools available to WNY, but many communities were not taking full advantage of the programs due to concerns about liability and the cost of the program. Fortunately, changes were made to the Bond Act program that enhanced liability protection and increased the reimbursement rate, which made the risks more manageable and made the program more financially attractive.

The city and TVGA collaborated on an Environmental Restoration Program application and the city was awarded a grant to perform a Site Investigation/Remedial Alternatives Report in 2003. As a result, the city decided the potential rewards of the project outweighed the risks and took the "Leap of Faith," initiating foreclosure proceedings to acquire the property.

Partnerships in Progress

As the project began to take shape, it was apparent to everyone involved that this property and the others along the Buffalo St. corridor had many positive attributes, including access to a major interstate corridor, two active railroad corridors, adequate utility capacity and enough open land to attract large scale developments, but the city needed to address the negative aspects of the area. When the NYS Dept. of State Brownfield Opportunity Area (BOA) program was announced, it was

obvious that Olean would be a strong candidate for the program. Again, TVGA collaborated with the city to prepare a successful application to perform a pre-nomination study of the Buffalo St. corridor, which was undertaken in 2007. The pre-nomination study is the first step within the framework of the community-based BOA program and is essentially an inventory of assets and an opportunity to begin to define a community vision for redevelopment.

Seeds are Sown...

As a result of the city's initiatives, much of the concern regarding the environmental health of the Buffalo St. area has been overcome. TVGA assisted the city with leveraging approximately \$1.3 million through the use of in-kind services and grant assistance. A new level of excitement and optimism is being felt around the city as new opportunities have begun to emerge from within the BOA, including:

- * Identification of Exxon/Mobil as a willing participant in the remediation of the former Standard Oil Company of New York Refinery.
- * Increased private investment in the BOA by local developers;
- * Several Brownfield Cleanup Program projects have been proposed by private developers who hold properties within the BOA.
- * Announcement of a new call center within the BOA that will create 350 new jobs.
- * The award of \$1 million through the Empire State Development Corp. Restore N.Y. Community Initiative for the demolition of the former Agway complex.
- * A plan to move forward with its brownfield initiative by applying for the nomination phase of the BOA program to conduct in-depth economic and market analysis of the Buffalo St. area.

Looking to the Future

The financial resources of the Environmental Restoration Program Component of the 1996 Clean Water/Clean Air Bond Act have been depleted. There will be no more money available for the Environmental Restoration Program projects in NYS, at least until the state elects to re-fund the popular program.

The city has developed a vision for redevelopment of the Buffalo St. corridor within the community and forged partnerships with the NYS Dept. of Environmental Conservation, Dept. of State, Empire State Development, TVGA and responsible developers. Olean has identified critical infrastructure needs and has developed a plan of action to increase infrastructure capacity in advance of anticipated redevelopment activities. Increased private ownership in the BOA has resulted in higher property values, increased tax revenues for the city and the promise of new employment opportunities, which will continue to pay dividends on the city's "Leap of Faith."

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