Memo

To: Christian Mercurio
Laura Cohen

From: Michele Christina, BRS

CC: Laura Burnham, BRS

Date: July 8, 2024

Subject: Brownfields RLF Application Technical Review
510 W. Liberty Street Rome, NY Redevelopment Site

Dear Mr. Mercurio and Ms. Cohen,

Please be advised that BRS, Inc. has reviewed the above-mentioned application for Mohawk Valley EDGE and offers the following comments:

Project Overview: The 510 W. Liberty Street site is comprised of a single tax parcel approximately 0.87 acres in size located at 510-514 W. Liberty Street in the City of Rome, Oneida County, New York. The target site consists of a two-story brick building of approximately 9,500 square feet. The site is currently unoccupied, but still contains some of the manufacturing equipment from its time as a textile mill. The building contained a former manufacturing area, a small informal automobile repair shop and some office spaces on the first floor. The building also has a second floor that s houses two offices and a large storage area. In addition to the main structure the site contains a small outbuilding that led to a basement that was mostly empty except for a piece of equipment. The exterior of the target site contains an

open grassed area along the eastern third of the site. The target site is supplied by public water, sewer, electric, and natural gas (electricity and gas are currently disconnected).

There are several uses proposed for redevelopment of the 510 W. Liberty Street site which include but are not limited to various commercial uses: restaurant, neighborhood grocery, brewery, or office building. A developer is interested in commercial/mixed use and has toured the site.

Site Eligibility: The Site, also known as Tax Parcel Property ID: 242.006-3-63 received EPA site eligibility approval on February 9, 2024.

Subgrantee Eligibility: The City of Rome, the proposed subgrantee acquired the site through foreclosure on July 2, 2018.

Existing Environmental Assessment Reports/Nature and Extent of Contamination:

Phase I ESA – 510-514 W. Liberty Street (February 2020) – Barton & Loguidice, D.P.C.: Barton & Loguidice, D.P.C. (B & L) concluded that Recognized Environmental Conditions (RECs) were identified at the Site. Historical uses of the site include a textile mill, an unknown manufacturer (X-Cel Enterprises) and an automobile repair shop. Data on use, storage, and disposal of petroleum products or hazardous materials had not been obtained during the Phase I ESA for the periods when the Site was used for industrial uses. The potential for releases of petroleum products or hazardous materials from past industrial use is an area of concern. The report also states the potential presence of a 300-gallon underground storage tank (UST) of unknown condition represents a material threat to release its contents.

Phase I ESA – 510-514 W. Liberty Street (December 2022) – HRP Associates, Inc.: While this Phase I ESA Report was not reviewed by BRS, the following summary was contained in the 2023 Quality Assurance Project Plan (QAPP): HRP Associates, Inc concluded that multiple RECs existed. These include the presence of standing petroleum liquid and petroleum staining, the PBS database lists two historic #2 fuel oil USTs on-site associated with X-Cel Enterprises with unknown statuses and locations, the site was registered as a RCRA small quantity generator of hazardous wastes and there is potential for the release of petroleum and hazardous substances pre-RCRA regulation, and the presence of unlabeled, rusted drums on-site. Volatile organic compounds (VOCs), Polyaromatic hydrocarbons (PAHs), and metals are identified as contaminants of concern.

Phase II ESA – 510-514 W. Liberty Street (December 22, 2023) – HRP Associates, Inc.: HRP Associates, Inc assessed environmental impacts associated with the past uses of the Site as a textile mill, an unknown manufacturer, and an automobile repair shop. The report concludes the confirmation of contamination detected in soils and groundwater at concentrations exceeding State Standards, Criteria, and Guidance Values (SCGs), including:

- SVOCs and metals at concentrations exceeding Restricted Residential Use Soil Cleanup Objectives in surface and subsurface soils.
- Metals and pesticides in surface soils are generally attributed to historic fill; impacts are generally limited to fill material located beneath the garage area and the textile manufacturing building.
- SVOCs are present in groundwater at concentrations exceeding applicable Technical and Operational Guidance Series regulatory standards. The detected concentrations are not indicative of a widespread groundwater issue and are unlikely to restrict redevelopment of the site.
- Exposure pathways to sensitive receptors are limited under the current use of the Site, however, impacted soils should be managed to protect potential receptors during redevelopment and future use.

There is also suspected asbestos containing materials (ACM) (including pipe wrap, vinyl floor tile, window glazing compound, and dry wall) observed inside or along the exterior of the manufacturing building. It does not appear that an asbestos survey has been conducted to determine if ACM requiring remediation is present on site.

Existing Remedial Action Workplan/Contamination to be Addressed: The funding request of $209,000 included potential ACM abatement and demolition of the garage portion of building on site, disposal of contaminated material, grading, import and placement of clean fill, topsoil & turf establishment. However, it should be noted that a remedial action workplan document has not yet been developed.

Consultation with Project's Consultant: The environmental consultant on the project is Cassandra George of HRP Associates. Plan for executing cleanup would involve an interlocal agreement allowing MVEDGE to conduct the remediation on behalf of the subgrantee.

Estimate for Remediation / Project Expense Eligibility: The borrower is requesting a $209,000 subgrant per the submitted application reviewed. Detailed budget breakdown, inclusive of contingency line item, is $250,000 for the demolition of a concrete slab and building; excavation and disposal of underlying contaminated soil; importation and placement of clean fill; and associated ACM abatement, if present. The submitted application indicated that additional sources of funding, up to 25% of the total project costs, could come from National Grid.

Discussions regarding the project indicate that project costs could be lowered as the municipality could potentially undertake demolition activities assuming staff are OSHA trained and meeting other regulatory requirements and MVEDGE performs programmatic

requirements, such as development of the Analysis of Brownfield Cleanup Alternatives, community outreach, QAPP amendment, etc. as a Contractual cost vs. a Subgrant cost.

The proposed use of funding is therefore eligible under the Brownfields RLF program.

Federal Cross-cutting Requirements- National Historic Preservation Act (Section 106) /Endangered Species Act/Clean Water Act (Section 404): The Site is on the NYS Cultural Resource Information System (CRIS) identified as the Columbia Knitting Mill (USN 06541.000075) built in 1892. The building was included in a 1978 state building survey of Industrial and Engineering Sites in Oneida County. MVEDGE submitted the property to the State for determination. In August 2024 the State determined the site was not eligible.

The property is adjoined to the west by Wood Creek. The Site has no known fish, wildlife or plants that will be threatened by the proposed construction.

Project Schedule: As currently proposed, the subgrantee would be entering into an agreement to have MVEDGE perform the EPA funded remediation activities on their behalf. As such work would not be able to begin until after an agreement for services was reached. Moreover, while suspected, ACM has not been confirmed to be present at the site (additional assessment work may be needed) and there are Section 106 compliance elements that would need to be vetted.

Needed Permits and Permit Status: The City of Rome will be responsible for all required permits.

Proposed Reuse: The site is to be redeveloped into a commercial/mixed-use space with supporting infrastructure.

Applicable Local Planning Compliance: This project aligns with the 2023 Oneida County Main Street Program Plan Report, the 2011 Mohawk Valley Regional Economic Development Council Strategic Plan, and the City of Rome 2004 Comprehensive Plan that focuses on the Erie Boulevard Corridor BOA. These plans seek to promote Brownfield development and the revitalization of vacant building stock.

Additional Funding Previously or Proposed for Match or Other: As mentioned above, the submitted application indicated that additional sources of funding, up to 25% of the total project costs, could come from the City of Rome and/or National Grid. However, no documentation of this additional funding commitment has been provided.

Redevelopment Funding Sources Attained / Applied For: Not provided

EPA Requisite Benefits:

1. The extent to which the grant will facilitate the creation of, preservation of, or addition to a park, greenway, undeveloped property, recreational property, or other property used for nonprofit purposes;
   N/A.

2. The extent to which the grant will meet the needs of a community that has the inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which a brownfield site is located because of the small population or low income of the community:
   Rome, NY has a population of 31,652 residents across 74.85 square miles that once had a thriving industrial district along the Erie Canal. Now part of downtown is part of a Brownfield Opportunity Area (BOA) that includes 92+ brownfields occupying 517 acres along the Erie Canal and central business district. U.S. Census data indicates 31% of individuals in the BOA are below the poverty threshold, more than double the NYS 13.4%, while median household income is 60% of NYS ($42,911 vs $72,400). Combined with the rural nature of the community, the resulting lower tax base makes EPA support critical to the funds the city needs to move this promising project forward.

3. The extent to which the grant will facilitate the use or reuse of existing infrastructure;
   510 W. Liberty is a part of the Downtown Rome and Erie Blvd BOA NYS program that provides funding to communities for community engagement to develop revitalization plans for neighborhoods adversely impacted by the presence of brownfields. The proposed redevelopment site will become commercial/mixed-use space that will help remove existing blight in the neighborhood and revitalize the City of Rome.

4. The benefit of promoting the long-term availability of funds from a revolving loan fund for brownfield remediation.
   Funding of an RLF subgrant for this Site and its subsequent redevelopment is likely to serve as a catalyst for remediation of additional sites within Rome's BOAs. As such, it likely to spur the need for accessing Brownfield RLF loans.

Overall Sense of Readiness/Issues to be Noted: Given the above-mentioned eligibility of the both the subject site and the subgrantee, this project appears to be ready to have funding committed for award. However, there are additional activities that would need to be conducted in order to ready the project for implementation. We note the following should be completed prior to entering into a subgrant agreement:

- *Potential Funding Gap*: BRS will draft a project Sources and Uses breakdown to indicate what activities should be funded with the subgrant funding vs. MVEDGE's Cooperative Agreement Contractual line item.

- *Committed Non-Federal Match*: Additional documentation should be provided from the prospective subgrantee regarding the commitment of additional funding for the match / project funding gap.
- *Historic Preservation Review*: The site is likely subject to a Section 106 review. MVEDGE will engage with SHPO/EPA to start vetting the Section 106 applicability.
- *Additional Pre-Remediation Activities*: It's not clear if the recommended ACM study has been conducted to confirm its presence in order to justify use of EPA RLF subgrant funding for ACM abatement.
- *Ability to Complete Remediation*: MVEDGE should enter into an interlocal / shared services agreement to manage and implement the cleanup.