



Broome County established a dedicated fund for economic development through a 2% occupancy tax on hotel and motel rooms. This 'Hotel-Motel Fund' has been generally split between two broad categories of programs/projects: 1) Brownfield Cleanup and Redevelopment; 2) Economic Development and Marketing. Going forward, this policy will be used as a guide to spending and committing these funds.

Brownfield Cleanup and Redevelopment

Brownfields are real property "the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant."

(Source: USEPA) As a practical matter, brownfields generally fall below the regulatory interest of the US Environmental Protection Agency and the NYS Department of Environmental Conservation, but the potential for substantial clean up costs keeps them from being acquired and redeveloped by the private sector without some assistance.

The private sector tends to avoid these sites for several key reasons:

1. **Liability:** Owners of contaminated properties, with some exclusions, are expected to have exercised their due diligence in acquiring the property. Once acquired, all current and future owners are jointly and severally liable for any contamination found on the site and found emanating from the site. This liability can extend to banks or other entities that foreclose on the property and act as an 'operator' of the site. The result is reluctance on the part of developers to enter into the chain of title to acquire a contaminated site, and reluctance on the part of lenders to use the property as security for a loan for fear that they would not be able to foreclose.
2. **Delays:** Brownfield remediation can take years to complete, and developers tend to operate within very tight timeframes.
3. **Cost:** A potentially contaminated site, before it has been fully investigated, has many unknowns regarding costs. Once these costs are characterized by an environmental investigation, then they can be factored into the financing for the site. The difficulty is it may take twenty or thirty thousand dollars to get an understanding of the environmental conditions of a typical site. These upfront costs drive developers to 'greenfield' sites.

Broome County becomes involved with brownfields for a number of reasons. These include:

- Brownfields have a negative impact on property values
- Brownfields can be a threat to the public health and safety.
- Brownfields are often 'upside down' from an economic perspective and are unlikely to be redeveloped without some government involvement.
- State and federal brownfield funding programs often have serious limitations as well as lengthy delays.

As contaminated properties sit idle, they deteriorate and cause disinvestment by neighboring property owners. Professor Keith R. Ihlanfeldt, Florida State University, and Associate Professor Laura O. Taylor, Georgia State University, completed an EPA-funded study of Fulton County, Georgia entitled "Assessing the Impacts of Environmental Contamination on Commercial and Industrial Properties". The study found a 'spillover effect' on property values up to 2 miles from the site of contamination. The researchers found that as properties closer to contaminated sites had lower property values. The rate of decline varied by the type of property. Property values for hotels, for example, decreased 62%. Office buildings suffered the second greatest hit, a 27%

loss in value. Apartment complexes declined 15%, retail 7%, and industrial properties dropped 4%. Other studies have found negative impacts on single-family home prices. One study found that single-family home prices dropped by \$3,000 for each mile closer they were to a site. Another study found that the negative economic impacts were seen as far away as six miles.

In addition, brownfields can be a threat to the community in a number of ways. Contamination can migrate off-site via groundwater, air and other exposure routes. The sites can also be a threat to visitors to the site, both through pollutants and the deteriorating condition of these buildings. Two of the brownfields that the Hotel/Motel fund has addressed, Endicott Forging and the Titchener Site on Clinton Street, were referred to the USEPA for emergency removal actions due to contaminants found on the property. The building at 46 Corliss Avenue, another Hotel/Motel cleanup, was declared unsafe by the Village of Johnson City due to the building being structurally unsound.

In assessing which sites to investigate and/or remediate, the County will consider the following:

Criteria for Brownfield Selection

Threat to Public Health and Safety

- Known or suspected contamination with exposure route(s) that threaten onsite employees/visitors or offsite businesses and residents
- Deteriorated building condition including imminent collapse or threat to trespassers

Site Control

- County or BCIDA owned
- Imminent County Foreclosure
- Willing participant/Site Access Agreement
- Court order/Temporary Incident of Ownership

Economic Development Potential

- Acreage, commercial zoning, good highway access, adequate utilities, building size and condition, location within an established Brownfield Opportunity Area
- Where County investment will spur development, redevelopment, or increased purchased price at County disposition.

Examples of the uses of Hotel/Motel funds to support brownfield redevelopment may include environmental assessments, environmental testing, remedial designs, asbestos pre-demolition surveys, engineering and architectural analysis, end use plans, surveys, market studies, and other 'soft' costs. In addition, Hotel/Motel funds may be used for demolition, asbestos abatement and air monitoring, underground tank removal and other remediation costs with an emphasis on preparing sites for redevelopment.

Economic Development & Marketing

Economic Development

Economic development is a very broad category of activities. Traditional economic development consisted of public works projects designed to foster or manage growth in a community or region. Historically, these infrastructure projects included railroads, bridges, roads, and dams that served the business community. Over time public works projects extended to include utility infrastructure, public transportation, airports, public water and sewer, and ultimately telecommunications. According to a paper published by the Lincoln Institute, "in the knowledge

economy of the 21st century, traditional types of intervention (providing water, sewers, and roads, or even conventional tax incentives, for example), may not be enough for lagging regions to compete—attention needs to be focused on the development of knowledge infrastructure that allows regions to attract R&D dollars and become more innovative.”

In addition to public works projects, the government, at all levels, conducts economic development through direct tax and other financial incentives to promote job creation/retention and investment on the part of the private sector. Common financial incentives include property tax abatements, direct cash subsidies and employment-based grants, below-market price land deals, subsidized industrial buildings, and concessionary utility rates.

In an era of limited governmental resources, economic development, whether it is infrastructure or financial incentives, must be strategic, efficient, and offer a return on investment. In addition, the Hotel Motel Fund is extremely limited, and cannot possibly undertake traditional economic development projects. Instead, emphasis will be on spending that leverages other assets.

The adopted economic development plan for Broome County includes the following priorities which are relevant to the Hotel-Motel fund:

- Aim economic development activities at 4-5 specific high impact industries
- Include entrepreneurship as an important economic development target
- Engage in activities that nourish a diverse population of young, educated workers
- Engage in corridor-based land use improvements
- Improve Broome County’s land stock by strategically redeveloping brownfield sites and expand infrastructure to support new development in carefully selected locations.
- Transform CBDs into vibrant community cores for business, entertainment, and living.
- Create a single website as the portal for economic development marketing and information
- Organize regularly scheduled marketing missions to regions outside of New York’s Southern Tier

Proposals for economic development funds will be assessed as to how well they address these priorities.

In addition, preference will be given to proposals that can best be used to leverage funds from sources at the State and Federal levels. Infrastructure related projects that wish to access State funds must comply with the newly adopted New York State Smart Growth Public Infrastructure Policy Law which establishes specific criteria required for approving funds at all state agencies. Therefore, preference will be given to projects that best meet the following criteria established by New York State:

- Advance the use, maintenance or improvement of existing infrastructure
- Advance projects located in municipal centers
- Advance projects in developed areas or areas designated for concentrated infill development in a municipally approved comprehensive land use plan, local waterfront revitalization plan and/or brownfield opportunity area plan
- Protect, preserve and enhance the county’s resources, including agricultural land, forests, surface and groundwater, air quality, recreation and open space, scenic areas, and significant historic and archeological resources
- Foster mixed land uses and compact development, downtown revitalization, brownfield redevelopment, the enhancement of beauty in public spaces, the diversity and affordability of housing in proximity to places of employment, recreation and commercial development and the integration of all income and age groups
- Maximize mobility through transportation choices including improved public transportation and reduced automobile dependency
- Enhance intermunicipal and regional planning efforts

- Enhance community based planning and collaboration efforts
- Utilize innovative site plan and architectural design techniques that enhance aesthetics of the area including enhanced pedestrian accessibility.

Marketing

According to the County's adopted economic development plan, "A marketing effort founded on accurate research and understanding of Greater Binghamton's strengths can help recruit companies, workforce talent, and entrepreneurs to the community. This will lead to the creation of higher paying, higher quality jobs as well as building momentum that sparks the growth of startup companies."

The goals of Broome County's marketing efforts are as follows:

- Unite the *Greater Binghamton* community behind a single marketing message
- Build a positive perception of Greater Binghamton as a location for high impact businesses
- Create awareness with site selectors, business owners and entrepreneurs of *Greater Binghamton* as a potential location for relocation and expansion.

The 'brand' for *Greater Binghamton* was established in the BCPlan as 'a community with a long tradition of innovation and the experience to continue into the future'. This is incorporated into our marketing message as '*Greater Binghamton - Home to Innovation.*' A logo has been prepared and website established to promote this message. All Broome County marketing materials should carry this tag line and the associated logo.

The themes to be reinforced through our marketing efforts include:

- *Greater Binghamton* is a place that has access to skilled workers
- This region lends itself to an active lifestyle with a high quality of life for recruiting and retaining workers
- There are strong university research and development activities
- We benefit from a good flow of graduates from university and community colleges
- Our business culture encourages entrepreneurship

In assessing marketing proposals and opportunities, we will consider whether they:

- Address one or more of the established marketing themes
- Extend beyond Broome County
- Reach our target audience of site selectors, business owners, and entrepreneurs
- Carry the '*Greater Binghamton - Home to Innovation*' message
- Leverage other assets

Application Process

Agencies and organizations interested in utilizing Hotel Motel funds should submit the following application about their proposal to:

Elaine Miller, Commissioner
Broome County Department of Planning & Economic Development
PO Box 1766
Binghamton, NY 13902
emiller@co.broome.ny.us

If you have any questions regarding your proposal, please contact Elaine Miller at (607) 778-2366 or via email.



Application for Hotel/Motel Funds

Contact Information

First _____ Last _____ Title _____
() _____
Phone _____
_____ email _____
_____ Organization Name _____
_____ Organization Address _____
_____ _____
_____ City _____ State _____ Zip _____

Type of Applicant: Municipality Non Profit
 Individual For Profit Business
 Other _____

Federal Tax ID No. _____

The undersigned on behalf of the applicant does hereby certify that:

- 1) All statements made for the purpose of obtaining County assistance for the proposed project either are set out in full in this application, or are set out in full in the documents attached to this application and incorporated by reference, and are true to the best of my knowledge and belief.
- 2) The individual whose signature appears hereon is the organization's chief executive officer or authorized representative and is authorized to sign this application for the organization.

Signature: _____
Print name: _____
Title: _____
Date: _____

Application for Hotel/Motel Funds

Proposed Budget

Budget Category	Amount
1. Personal Services	
a. Salaries and Wages	\$ _____
b. Fringe Benefits	\$ _____
Subtotal	\$ _____
2. Nonpersonal Services	
a. Supplies and Materials	\$ _____
b. Equipment	\$ _____
c. Travel	\$ _____
d. Contractual	\$ _____
e. Other	\$ _____
Subtotal	\$ _____
Total Project	\$ _____

Sources of Funds

	Amount	%	Status* (C or A)
Broome County Hotel Motel	\$ _____	_____	_____
State Grant Funds	\$ _____	_____	_____
Federal Grant Funds	\$ _____	_____	_____
Private Cash	\$ _____	_____	_____
In Kind	\$ _____	_____	_____
Total Project	\$ _____	_____	_____

*C=Committed
A=Applied For

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Application for Hotel/Motel Funds

Project Description

Describe the project, the specific location and/or service area, what agency or organization is going to be responsible for carrying the project out, and a list of key personnel.

(Attach additional sheets as necessary)

Impact to the Community

In consideration of the Broome County Hotel Motel Fund Policy, state how the project will impact the community-at-large and address the need for Brownfield Cleanup & Redevelopment or Economic Development & Marketing. Refer to the stated criteria and priorities as appropriate

(Attach additional sheets as necessary)