



Buckbee-Mears Co. Superfund Site Reuse Assessment

Cortland, New York

FINAL July 2012

*Prepared for
City of Cortland, Town of Cortlandville,
Cortland County Industrial Development Agency
and
EPA Region 2*

*Funded by the EPA Superfund Redevelopment
Initiative*



Reuse Assessment Purpose

The purpose of the reuse assessment is:

- To clarify remedial features and site suitability for reuse;
and
- To identify potential barriers to reuse.

Overview

- Site Background & Cleanup Status
- Ownership & Stakeholders
- Redevelopment Assets
- Site Suitability
- Reuse Considerations



Site Background & Cleanup Status

Site Background

- From 1974 until 2004, Buckbee-Mears Co. Inc. operated an electronic components manufacturing facility at the Buckbee-Mears Co. Superfund site (site) in Cortland, New York.
- The facility produced aperture masks used in cathode ray tube monitors.
- Manufacturing operations at the site utilized three processing buildings (Buildings 1, 2 and 5), a warehouse and supporting infrastructure (electric substation, rail spur and waste water treatment plant).
- Acids, ammonia, chlorine and metals were used throughout the manufacturing process and required the storage of bulk chemicals and hazardous materials on-site.

Site Background, cont.

- In 2004, International Electronic Devices (IED) acquired the Buckbee-Mears Co. manufacturing facility and site property.
- In May 2005, IED ceased manufacturing operations and abandoned the facility, leaving large quantities of chemicals and waste products on-site.
- In July 2006, the Cortland Police Department discovered large quantities of hazardous materials at the unsecured facility prompting an emergency response action to address the potential for a chemical release at the site.

EPA Response Actions

Date	Response Action
September 2006	EPA issues Administrative Order to IED requiring cleanup of the Site; IED does not comply.
January 2007	EPA initiates Emergency Response Action, including the removal and disposal of hazardous chemicals and waste products from the site.
July 2008	EPA conducts removal sampling and identifies elevated levels of chromium contamination within facility buildings and oversees demolition of two former manufacturing buildings.
August 2009	EPA completes Integrated Site Assessment Report and determines that site contamination does not warrant a proposed listing on the National Priorities List; no further remedial actions are planned.
2008-2012	EPA discussions with the State Bank of India (Bank), and eventually, local taxing authorities, regarding an administrative settlement process at the site.
2012	Administrative settlements being finalized. Reuse assessment undertaken.

Removal Status

- Hazardous wastes and chemicals formerly stored at the site were inventoried, stabilized and removed from the site.
- Site sampling results identified the presence of elevated levels of chromium and other heavy metals at the following site locations:
 - Structure and interior of manufacturing buildings 1 and 2;
 - Concrete slabs and subsurface soils beneath buildings 1, 2 and 5; and
 - Ground water beneath the site.
- Buildings 1 and 2 were demolished and removed from the site to address chromium contamination; concrete slabs remain on-site.
- Additional sampling results identified significant black mold contamination throughout the interior of Building 5; EPA could not address mold contamination through emergency response authority and the building 5 structure remains on site.



Ownership & Stakeholder Considerations

Ownership

- International Electronic Devices-USA, LLC (IED) owns the 50-acre facility property located in the southeast portion of the City of Cortland and an adjacent 24-acre vacant parcel located in the Town of Cortlandville.

Stakeholders

- *International Electronic Devices-USA, LLC (IED)* – owns both the City and Town parcels that comprise the site
- *State Bank of India (Bank)* – holds mortgage on site property
- *City of Cortland (City)* – shares local taxing authority for site property and provides site surveillance
- *Town of Cortlandville (Town)* – 24-acre parcel under Town's jurisdiction
- *County of Cortland (County)* – holds tax lien on Town parcel
- *Cortland County Industrial Development Agency (IDA) / Business Development Corporation (BDC)* – local redevelopment and economic development agencies

Property Encumbrances

- EPA has perfected an \$8.3 million CERCLA Section 107(L) lien on the site property as part of its efforts to recover its response costs at the site.
- The State Bank of India holds a mortgage on the site property valued at approximately \$8.4 million.
- The IED-owned properties have been tax-delinquent since 2005.
 - The City is owed approximately \$1.2 million for unpaid real property taxes through 2011.
 - The County is owed approximately \$5,727 for unpaid real property taxes through 2011.

Administrative Settlement & Property Disposition

- EPA and the State Bank of India (the “Bank”) have been negotiating an administrative Settlement Agreement, whereby the Bank will foreclose on the properties, EPA and the taxing authorities (City of Cortland and Cortland County) will lift the liens, and the various parties will divide the revenue from the sale of the properties after a foreclosure auction.
- The local taxing jurisdictions will foreclose on the properties if the Bank does not or the properties do not sell at the Bank’s auction.
- EPA and local stakeholders have identified a need to clarify site status and suitability for reuse to help inform prospective purchasers and support the future sale and redevelopment of the site.

Stakeholder Reuse Goals

Stakeholders have identified the following reuse goals for the site:

- Transfer site to a viable entity that can maintain site security and oversee redevelopment.
- Leverage site assets to facilitate redevelopment.
- Preserve prime industrial space at the site.
- Pursue multiple opportunities for revenue generation to diversify the economy.
- Consider phasing options for redevelopment.



Redevelopment Assets

Site Location



New York State Context Map

Key

- Buckbee-Mears Co. Superfund Site
- International Electronic Devices Parcels
- - - City of Cortland Boundary
- Major Roads
- ++++ Rail Line
- Surface Water

0 0.25 0.5 Miles



Zoning

Key

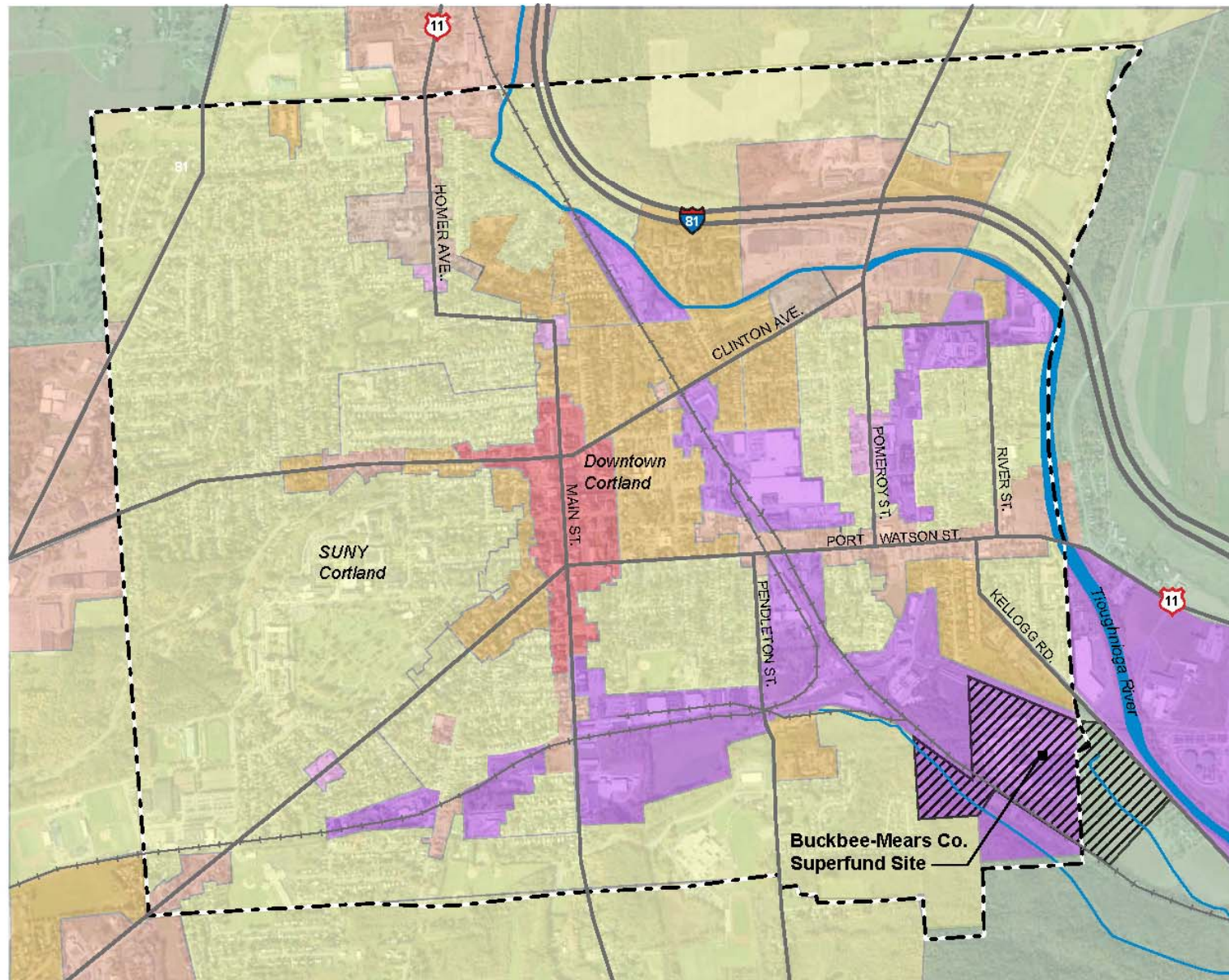
Zoning Districts

- Central Business
- General Business
- Residential (R1-R2)
- Residential (R3-R4)
- Special District
- General Industrial
- Agricultural

Additional Features

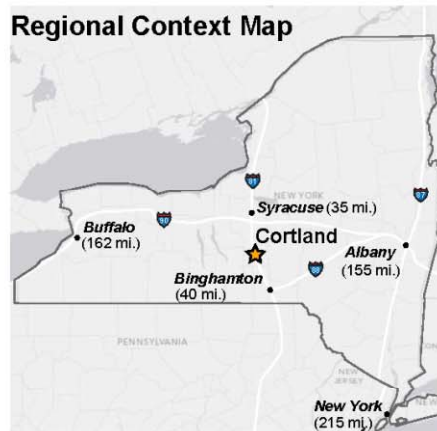
- Buckbee-Mears Co. Superfund Site
- International Electronic Devices Parcels
- City of Cortland Boundary
- Major Roads
- Rail Line
- Surface Water

0 0.25 0.5
Miles



Access & Infrastructure

Regional Context Map



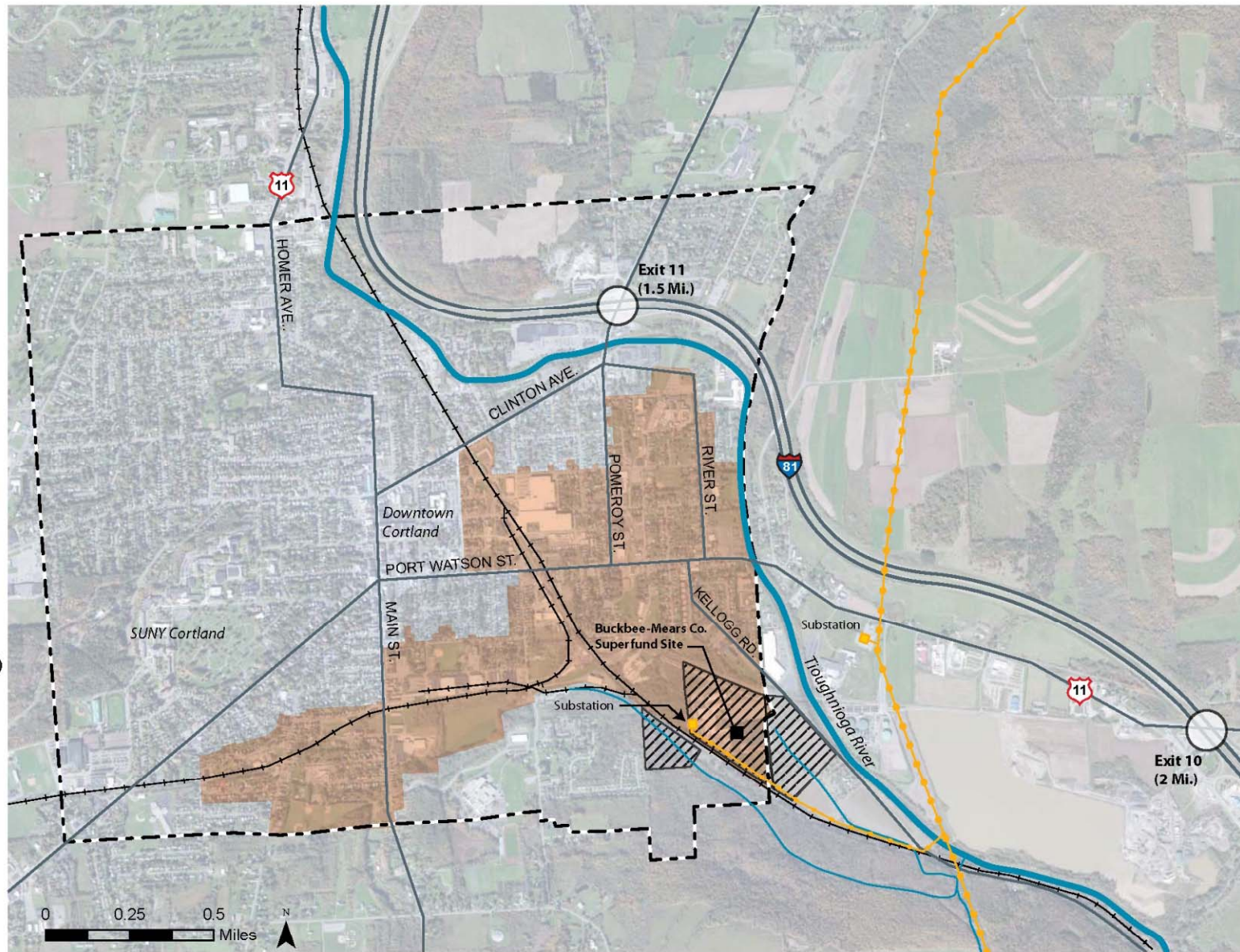
Key

Infrastructure & Assets

- International Electronic Devices Parcels (75 acres)
- New York, Susquehanna & Western Railway (on-site rail spur)
- I-81 Interchange (1.5 mi. to Exit 11; 2 mi. to Exit 10)
- Electric Transmission Line (3 phase power; on-site substation)
- Proposed Southeast Cortland Brownfield Opportunity Area (Redevelopment area; potential economic development incentives)

Additional Features

- Buckbee-Mears Co. Superfund Site
- Major Roads
- City of Cortland Boundary
- Surface Water



Local Redevelopment Incentives

Proposed Southeast Cortland Brownfield Opportunity Area

- City of Cortland is seeking the New York Department of State's Brownfield Opportunity Area (BOA) designation for a 527-acre area in southeast Cortland.
- The proposed Southeast Cortland BOA includes the 50-acre parcel at the Buckbee-Mears site and 25 other brownfields.
- If Cortland's BOA nomination effort is successful, BOA funds could potentially help to finance additional redevelopment studies, market analyses and direct marketing efforts at the site's 50-acre parcel.

Local Redevelopment Incentives, cont.

Cortland County Foreign Trade Zone Designation

- The Cortland County Business Development Corp. (BDC) is seeking Foreign Trade Zone (FTZ) Designation for Cortland County.
- FTZ designation generally allows for the duty-free import and export of merchandise and provides an attractive incentive for manufacturing and distribution segments of a local economy.
- The County BDC is initially seeking FTZ designation for two magnet sites: Finger Lakes East Business Park and Cortland Commerce Park.
- In the future, the County BDC anticipates designating additional usage-driven FTZ sites, such as the Buckbee-Mears site. FTZ designation presents a clear advantage over other sites under consideration by companies engaging in international trade.

Site Assets



Facility Property (50 acres)



Vacant Land (24 acres)

- The 50-acre former manufacturing parcel is zoned for industrial use.
- The 24-acre vacant parcel is zoned for agricultural use.

Site Assets - Structures



Building 5



Warehouse

- The 50-acre parcel includes two buildings, including an approximately 180,000 sq. ft. manufacturing building and an approximately 30,000 s.f. warehouse.

Site Assets - Infrastructure



Electric Substation

- Supporting infrastructure at the site includes a security gate, an electric substation, an inactive rail spur and a waste water treatment plant.



Rail Spur

Summary of Redevelopment Assets

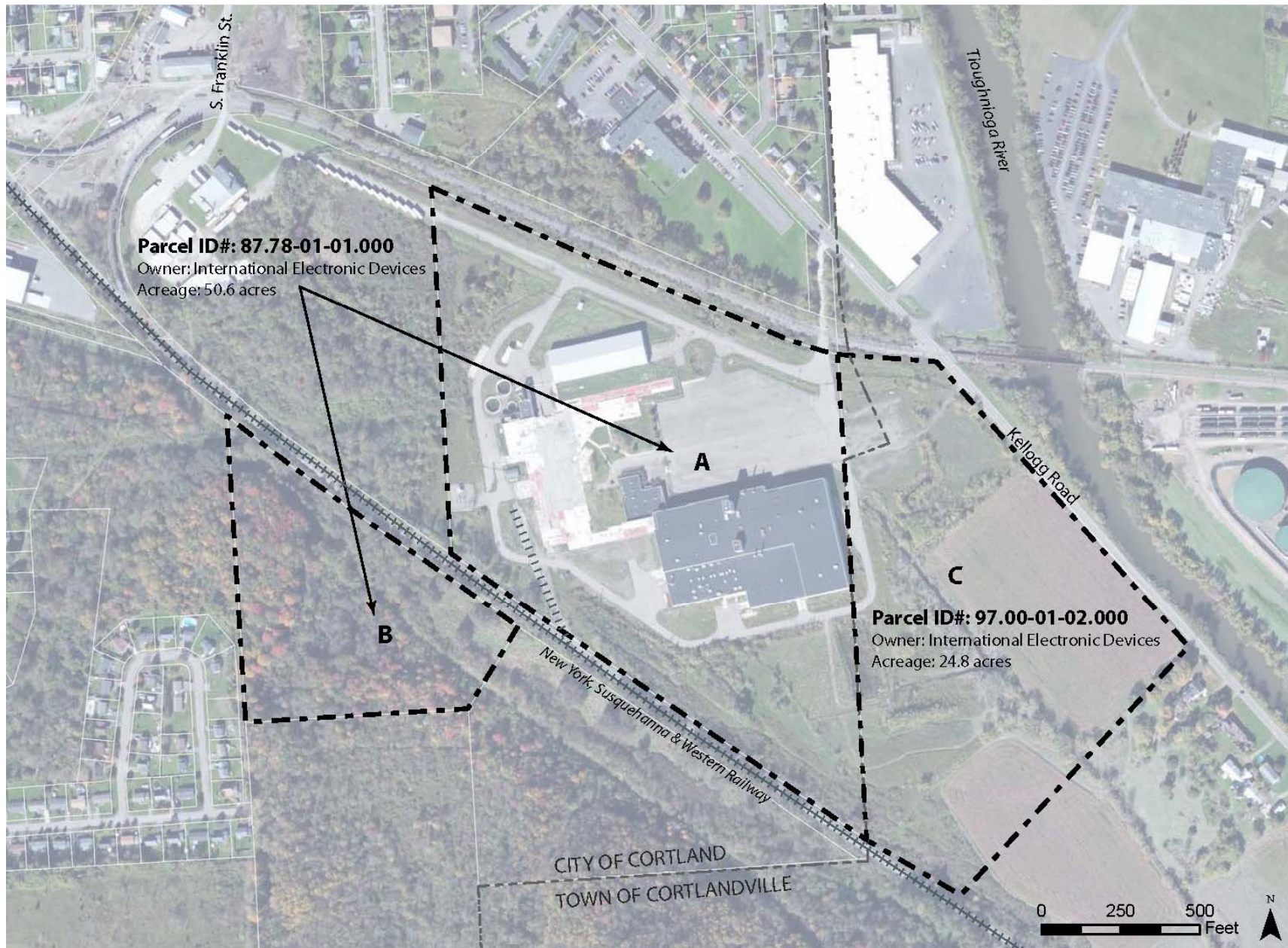
The site offers the following assets that can support future industrial uses:

- The 50-acre parcel is zoned for industrial use and is located within the proposed Southeast Cortland Brownfield Opportunity Area.
- Cortland County is in the process of securing a Foreign Trade Zone designation that could eventually serve as an industrial development incentive for the site.
- The property has access to I-81, the New York, Susquehanna and Western Railway and is located within 30 miles of the Hancock International Airport in Syracuse.
- Structures at the site include a 30,000 sq. ft. warehouse and 180,000 sq. ft. manufacturing building.
- Supporting infrastructure at the site includes a security gate, an electric substation, an inactive rail spur and a waste water treatment plant.



Site Suitability



Site Parcels











Site Features

Key






Structures

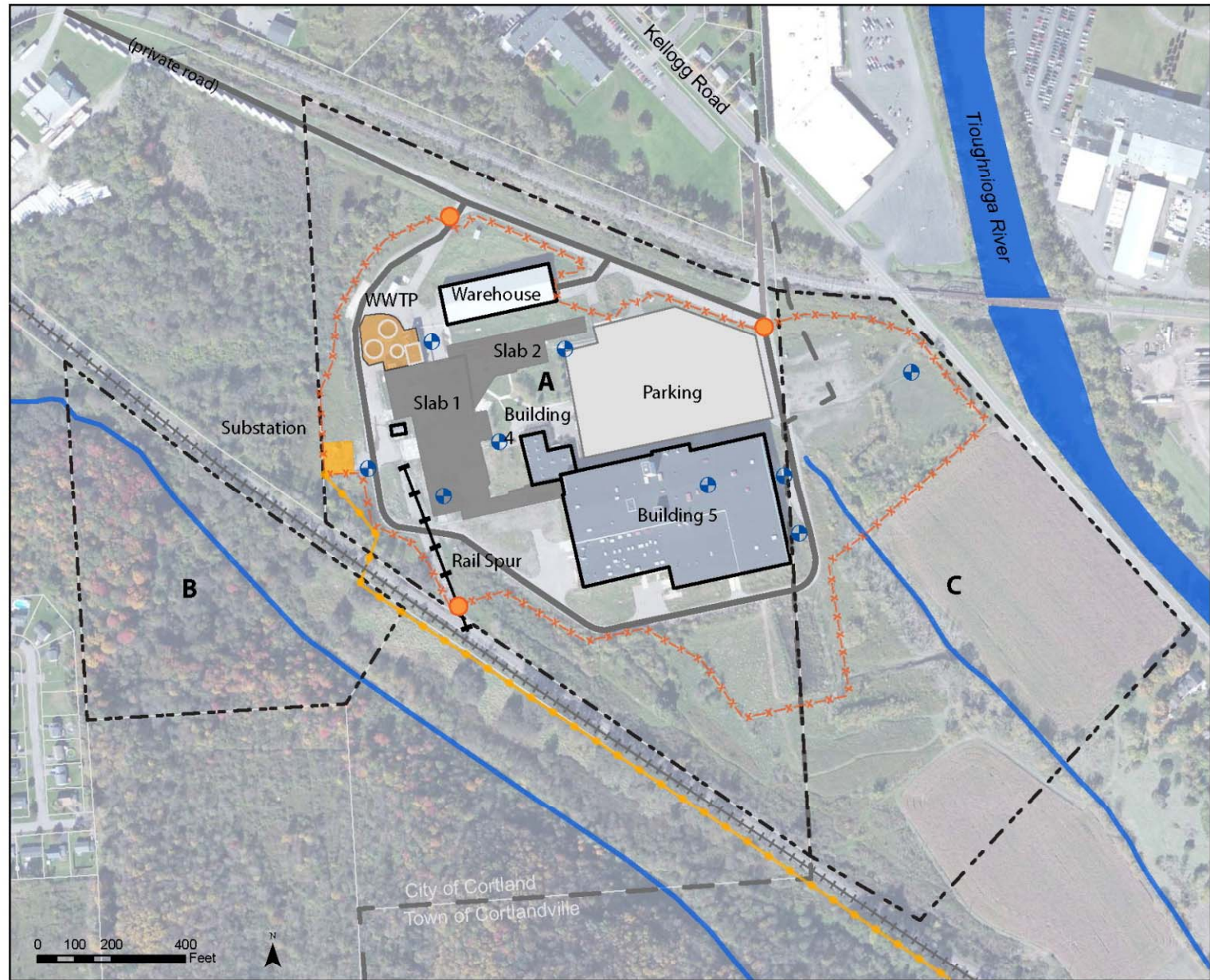
-  Existing Buildings
-  Concrete Slabs

Infrastructure

-  Electric Substation
-  Electric Transmission Line
-  Rail Spur (inactive)
-  Waste Water Treatment Plant (inactive)
-  Parking Area
-  Access Roads
-  Fenceline
-  Gated Access Point

Additional Site Features

-  Ground Water Monitoring Wells
-  Rail Line
-  Parcels
-  Municipal Boundary
-  Surface Water



Natural Features

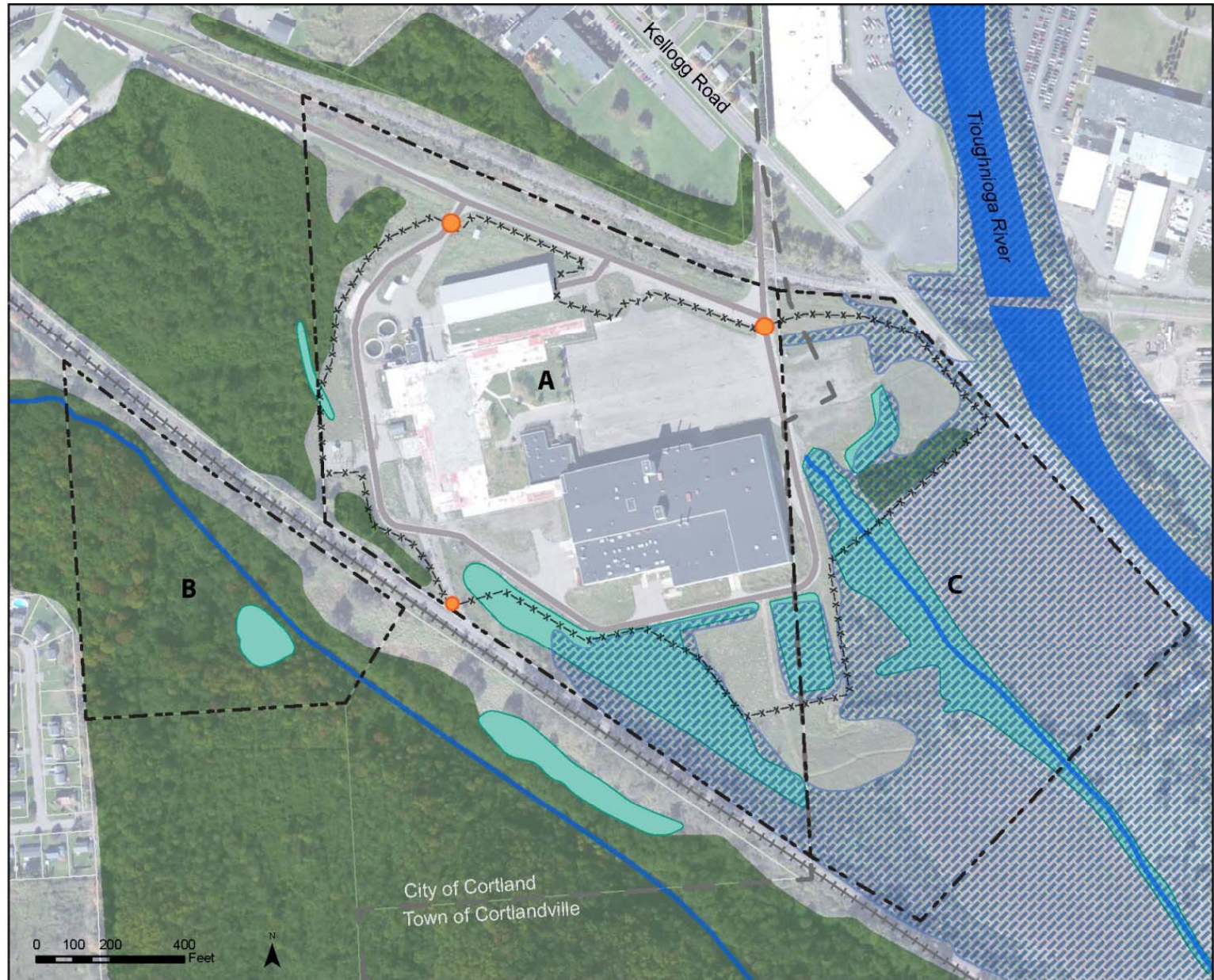
Key

Natural Features

- Surface Water
- Wetlands
- 100-year Flood Zone
- Forest Cover

Additional Site Features

- Fenceline
- Gated Access Point
- Access Roads
- Rail Line
- Parcels
- Municipal Boundary



Removal Summary

Key



Warehouse

- 30,000 s.f. metal building
- No surface contamination identified
- Structure in usable condition



Building 4

- 12,000 s.f. breakroom/cafeteria
- Extensive black mold damage throughout sheetrock and interior walls



Building 5

- 180,000 s.f. former process building
- Elevated levels of chromium identified in concrete slab/sub-slab soils
- Extensive black mold damage throughout sheetrock and interior walls



Concrete Slabs

- 110,000 s.f. concrete slab (4' above grade); left in place after building demolition/removal
- Elevated levels of chromium identified in concrete slab and sub-slab soils
- Surface sealed/covered with 2"- 4" of rubble



Waste Water Treatment Plant

- 3 clarifiers, sludge dewatering unit, light frame building
- No contamination identified
- Significant repairs needed



Parking Area

- 170,000 s.f. paved parking area with lighting
- No contamination identified



Ground Water Monitoring Wells

- Elevated levels of chromium and arsenic identified in 3 ground water monitoring wells (Slab 1, Building 5 and Parking Area)

Additional Features



Fenceline



Gated Access Point



Rail Line



Parcel Boundaries



Municipal Boundary



Surface Water



Reuse Zones Map

Key

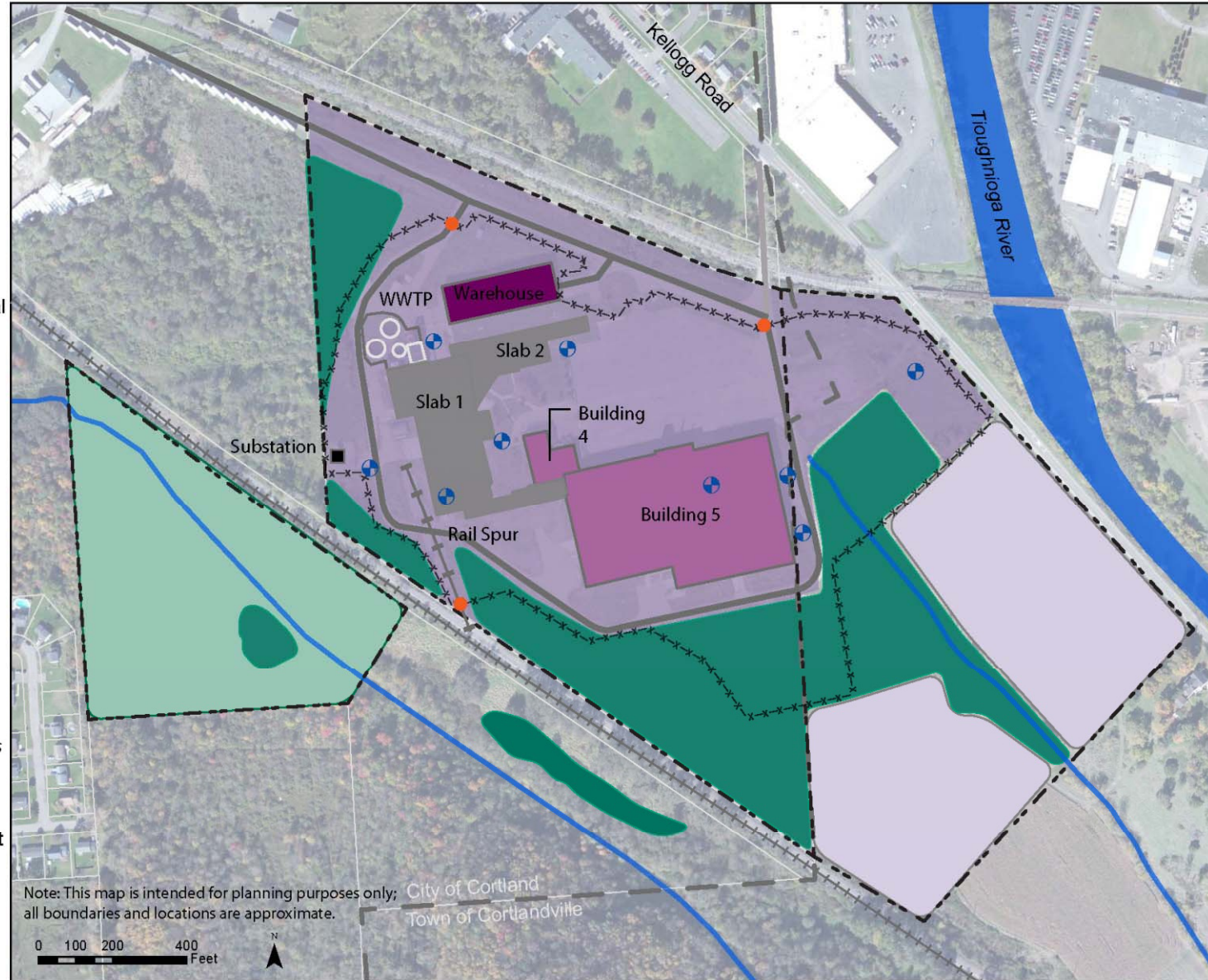
Potential Reuse Zones

- A** Buildings Suitable for Commercial/Industrial Use
 - 30,000 s.f. warehouse
- B** Buildings Suitable Commercial/Industrial Use with Considerations
 - 200,000 s.f.; Mold remediation and interior reconfiguration necessary to support commercial or industrial use
 - Potential for demolition and removal; EPA notification / approval required for slab removal or excavation.
- C** Areas Suitable for Structural Development on Existing Slab
 - 110,000 s.f.
 - Excavation / slab removal considerations
- D** Areas Suitable for New Development
- E** Areas Suitable for Development with Considerations
 - Crop lands and flood plains
 - Potentially suitable for industrial use
- F** Areas With Limited Access
 - Forested areas and steep slopes
 - Potentially suitable for residential use
- G** Areas Suitable for Open Space
 - Wetlands and riparian areas

EPA anticipates limitations on ground water use for all zones and residential land use restrictions for Zones A-D and G.

Infrastructure & Additional Features

- x-x-x Fenceline
- Access Road
- Inactive Rail Spur
- - - Parcel Boundaries
- Municipal Boundary
- Gated Access Point
- ++++ Rail Line
- Substation
- Inactive WWTP
- ⊕ Ground Water Monitoring Wells
- Surface Water



Reuse Zones Table

Zone	Size	Features	Reuse Considerations
A	.75 acres (30,000 sq. ft.)	Warehouse	Suitable for commercial industrial reuse now; no known surface contamination.
B	4.5 acres (200,000 sq. ft.)	Buildings 4 and 5	Suitable for renovation and adaptive reuse with mold remediation; some restrictions on demolition/excavation for concrete slabs.
C	2.5 acres (110,000 sq. ft.)	Concrete Slabs	Suitable for structural development on existing concrete slabs with slab re-surfacing; some restrictions on demolition/excavation.
D	27 acres	Parking, circulation, utilities	Suitable for new structural development, parking and infrastructure.
E	15 acres	Agricultural land and flood plain	Suitable for agriculture, infrastructure and development with considerations; potential for industrial use contingent on re-zoning.
F	11 acres	Forested areas west of rail, steep slopes	Suitable for open space and potentially residential use with access from west.
G	15 acres	Wetlands	Suitable for open space, flood water retention, ecological use.

Anticipated Use Limitations

- Use limitations for the site would likely include:
 - Ground water use and withdrawal limitations;
 - Residential use limitations;
 - Notifications that existing ground water monitoring wells should remain intact;
 - Notifications that slab removal or sub-slab excavation should only be undertaken in compliance with state and federal laws due to the contamination.



Reuse Considerations

Reuse Considerations – Structural Development

- 40 acres suitable for industrial reuse and structural development, including:
 - 30,000 sq. ft. warehouse suitable for storage/light industrial use in the near-term;
 - 180,000 sq. ft. manufacturing building with potential for adaptive reuse and reconfiguration after mold remediation and demolition/removal of interior walls;
 - 2.5 acre concrete slab area with potential to support new structures;
 - 27 acres suitable for new structural development, parking and new/existing infrastructure; and
 - Supporting infrastructure (gated security fence, 1.5-acre parking area, access roads, and electric substation, inactive rail spur and inactive wastewater treatment plant).

Reuse Considerations – Structural Development with Considerations

- 15 acres suitable for agricultural/industrial use, including:
 - 8 acres of cultivated cropland, located within flood plain and zoned for agricultural use; frontage on Kellogg Road (potential for industrial use, contingent on re-zoning and flood plain development approvals); and
 - 7 acres of cultivated cropland located in flood plain and zoned for agricultural use; access limitations (potential for ongoing agricultural use or industrial use with re-zoning and flood plain development approvals).

Reuse Considerations – Open Space

- 11 acres suitable for open space including:
 - Forested areas west of rail line with steep slopes and access limitations;
 - Potential for residential use with new access from west and structural development considerations.
- 15 acres suitable for open space and ecological use, including:
 - Wetlands;
 - Flood water retention;
 - Riparian areas; and
 - Surface water.

Reuse Barriers and Recommended Next Steps

Barriers	Recommendations
Ownership	Administrative settlements and anticipated sale at auction to result in ownership transfer.
Liens	Administrative settlement to result in clear title to both parcels.
Contaminated slabs/subsurface soils	Concrete slab disturbance may result in exposure to residual chromium in concrete and sub-slab soils; any concrete demolition debris would have to be sampled and properly disposed of at a Solid or Hazardous Waste Landfill, depending on sampling results.
Building 5 mold contamination, size and configuration	Obtain cost estimate for partitioning Building 5 into 20,000-60,000 sq. ft. sections and removing mold from interior surfaces as per new configuration.
Inactive infrastructure	Obtain cost estimate and identify funding to repair rail spur, waste water treatment plant and re-energize electrical connection.
Potential re-zoning	Initiate discussions with Town of Cortlandville regarding potential for re-zoning 24-acre parcel for industrial use; clarify flood plain development approvals needed from the Town and NYSDEC.
Use Restrictions	Consider placing deed notices on the parcels to clarify slab removal/excavation considerations, existing local ground water use and withdrawal limitations and site zoning.
Liability	The 2002 Brownfield Amendments to CERCLA or Superfund provided important protections from liability to landowners who meet certain statutory criteria. See slides 38 and 39.

Liability Protections

Prospective purchasers and local government entities that may be involved in the acquisition and redevelopment of the site should understand the associated liability issues. The 2002 Brownfield Amendments to CERCLA provided important protections to landowners who meet certain statutory criteria and comply with ongoing obligations at a site. The liability protections that may be most relevant to the site are highlighted below and summarized on the following pages.

- Bona Fide Prospective Purchasers (BFPPs)
- Local Governments and Involuntary Acquisition

Liability Protections

Bona Fide Prospective Purchasers (BFPPs) – CERCLA Sections 101(40) and 107(R)(1)

In order to be considered a BFPP under the CERCLA, a prospective purchaser would need to ensure it meets the statute's requirements. A BFPP must satisfy the criteria discussed in the "common elements" guidance, which includes performing "all appropriate inquiries" prior to acquiring the property, it must demonstrate "no affiliation" with a liable party and satisfy ongoing long-term stewardship obligations. See: www.epa.gov/oecaerth/cleanup/revitalization/bfpp.html

- All Appropriate Inquiries: Parties must comply with the requirements of the All Appropriate Inquiries Final Rule, or follow the standards set forth in the ASTM E1527-05 Phase I Environmental Site Assessment Process, to satisfy the statutory requirements for conducting all appropriate inquiries. See: www.epa.gov/brownfields/aai/index.htm
- No Affiliation: Parties must not be "affiliated" with any other person who is potentially liable for response costs (affiliations include: direct or indirect familial relationships; contractual, corporate, or financial relationships; affiliations that result from a business reorganization).
See: www.epa.gov/compliance/resources/policies/cleanup/superfund/affiliation-bfpp-cpo.pdf
- Ongoing Obligations: A BFPP must also:
 - Maintain compliance with land use restrictions and not impede the effectiveness or integrity of institutional controls;
 - Take "reasonable steps" with respect to hazardous substances affecting a landowner's property;
 - Provide cooperation, assistance and access;
 - Comply with information requests and administrative subpoenas; and
 - Provide legally required notices.
 - See: www.epa.gov/oecaerth/cleanup/revitalization/landowner.html#common

Note: This information is for reference and does not constitute legal advice.

Liability Protections

Local Governments and Involuntary Acquisition – CERCLA Sections 101(20)(D) and 101(35)(A)(ii)

- CERCLA provides liability protection to state and local governments who acquire property by virtue of their function as a sovereign. This protection is known as the “involuntary acquisition” exemption and includes the following types of property transactions that lead to local government ownership:
 - Bankruptcy;
 - Tax-delinquency or tax-foreclosure;
 - Abandonment; or
 - Other circumstances in which the government entity involuntarily acquires title.
- Local governments that take title to property through involuntary acquisition will also need to satisfy the following obligations, in order to remain exempt from CERCLA liability.
 - Maintain compliance with land use restrictions and not impeding the effectiveness or integrity of institutional controls;
 - Take “reasonable steps” with respect to hazardous substances affecting a landowner’s property;
 - Provide cooperation, assistance and access;
 - Comply with information requests and administrative subpoenas; and
 - Provide legally required notices.
- For additional information, see:
 - <http://www.epa.gov/oecaerth/cleanup/revitalization/local-acquis.html>
 - <http://www.epa.gov/oecaerth/resources/publications/cleanup/brownfields/local-gov-liab-acq-fs-rev.pdf>

Note: This information is for reference and does not constitute legal advice.

Key Reuse Considerations

- EPA's removal action addressed potential human health risks, and the site remains protective for commercial and industrial uses.
- Superfund provides certain liability protections for prospective purchasers and local government entities that would likely be involved in the acquisition and redevelopment of the site.
- Warehouse space is suitable for reuse in the near-term.
- There is potential to phase in adaptive reuse of existing structures over time.
- Additional evaluation of Building 5 and concrete slabs is warranted to determine potential adaptive reuse options.
- Further evaluation is also needed to identify feasibility and costs for improvement of waste water treatment plant and rail spur and for re-energizing the electric substation.
- Discussions with the Town of Cortland Zoning Board are needed to identify potential for re-zoning the 24-acre parcel to industrial use.

Conclusion

- The reuse assessment documents clean up status, clarifies reuse suitability and identifies steps to remove potential reuse barriers.
- An executive summary of the reuse assessment has been developed to inform marketing efforts for the disposition and redevelopment of the site.

Contact Information

For additional information regarding the Buckbee-Mears site reuse assessment, please contact:

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