NEWS RELEASE

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POLONCARZ, RYAN, RIVERA SOUND THE ALARM ON EXPIRING BROWNFIELD TAX CREDITS AT RENAISSANCE COMMERCE PARK

Officials say if proposed legislation extending the expiration deadline is not included in the final NYS budget due April 1, effects would be catastrophic for the now-thriving light manufacturing campus

Since 2013, over \$40 million has been invested in the transformation of the former Bethlehem Steel site into Renaissance Commerce Park

ERIE COUNTY, NY— Erie County Executive Mark C. Poloncarz, New York State Senator Sean Ryan and New York Assemblymember Jon Rivera today led a group of concerned local and state officials calling for the extension of expiring Gen. 1 Brownfield Cleanup Program (BCP) tax credits at Renaissance Commerce Park (RCP) in Lackawanna.

Poloncarz and other concerned officials met at the site Friday to underscore the urgency of including the Gen. 1 tax credit deadline extension legislation in the upcoming final State Budget. Currently, Gen. 1 BCP tax credits on 78 acres at RCP expire in 2027—but given the minimum two-year development timeline for a project, the available window to utilize the BCP tax credits has now closed.

"Renaissance Commerce Park is bustling with activity and investment in large part due to the Gen 1 BCP tax credits that make it easier for businesses to locate here. The loss of these tax credits would mean more obstacles for potential tenants to clear and less likelihood of them locating here," **said Erie County Executive Mark C. Poloncarz.** "I urge the Assembly and Senate to approve the legislation extending the expiration deadline and Governor Hochul to sign it into law. I thank Senator Ryan and Assemblymember Rivera for their actions to move this forward. We need to keep economic development on track at this site and the tax credits are a great tool for doing that."

Senator Sean Ryan has sponsored a New York State Senate Bill accompanied by an Assembly Bill sponsored by Assemblymember Jon Rivera proposing to extend the expiration deadline to 2036 and allow the key parcels to remain viable.

Both bills are fiscally neutral as the tax credit program is already in place; the 78 acres are not viable without the BCP tax credits to offset higher building costs, and the otherwise prime parcels would unfortunately remain undeveloped despite the infrastructure investment already made.

"Remediating the Bethlehem Steel site and investing in its infrastructure has created a success story that is breathing new life into the former center of the Western New York economy," **said Senator Sean Ryan.** "After decades of blight, Renaissance Commerce Park is bringing industry, jobs, and investment back to the Lackawanna, which creates an economic ripple effect across our region. However, without continued support from New York State, we risk squandering the site's full potential.

Extending the Brownfield Cleanup Program tax credit is critical to continuing to attract industrial tenants, and I am working side-by-side with Assemblymember Rivera and my colleagues in government to push this important budget priority for Erie County over the finish line."

Assemblymember Jon D. Rivera said, "Renaissance Commerce Park represents an opportunity to create jobs that support families, grow our manufacturing sector, and build on the economic momentum Western New York is now seeing. The Brownfield Redevelopment Tax Credit (BRTC) program was created for projects just like this, where an industrial legacy has made redevelopment an expensive and time-consuming undertaking. If these tax credits expire, the financial burden of decontamination could stifle progress, leaving prime land sitting idle rather than contributing to the region's economic resurgence. I am proud to sponsor the legislation that would allow the Renaissance Commerce Park BRTC program to continue here for years to come and am working tirelessly to get it included in the final state budget this year. Together, we can unlock new opportunities for growth, investment, and a cleaner future for our region if we see this through."

Along with the businesses located at RCP, Lackawanna has seen exponential commercial growth in the surrounding area. RCP is now home to more than 400 jobs and \$130 million in private investment from employers who relocated to RCP. The unprecedented success of RCP has changed the skyline and the economic health of the City of Lackawanna for the better, and local elected leaders want that to continue for the benefit of their constituents in the surrounding community.

"Without reservation, I strongly urge Governor Hochul to support the extension of the State Brownfield Cleanup Program for Renaissance Commerce Park at the old Bethlehem Steel site," **said New York State Senator April N. M. Baskin.** "If it is not included, the consequences will be far-reaching: the Park would be subject to losing all tax credits for redevelopment in the next couple of years, harming the economic health of Lackawanna, Erie County, and the State. This program has spurred the next generation of economic development in Western New York and its continuation is vital as we seek to clean up the pollution of our past and attract good-paying jobs for our region."

"The city of Lackawanna strongly advocates for extending the New York State Brownfield Redevelopment Tax Credit Program, which is an essential tool for continuing to attract private development investments at Renaissance Commerce Park," **said Lackawanna Mayor Annette Iafallo.** "The success of Renaissance is absolutely vital to Lackawanna's economic future, both as the signature redevelopment effort at the former Bethlehem Steel site, and a catalyst, along with the city's competitive unified tax rate implemented in 2020, for attracting and advancing millions in other city-led development projects. Discontinuing the tax credit would not only derail future development at Renaissance, but also potentially devastate the Lackawanna community – which has taken nearly four decades to begin recovering from the loss of Bethlehem."

The Erie County Industrial Development Agency's (ECIDA) land development arm, the Industrial Land Development Corporation (ILDC), has led the public-private coalition including Empire State Development, Erie County, the City of Lackawanna, site owner Tecumseh Steel, National Grid, the Department of Environmental Conservation, National Fuel and many other community stakeholders to acquire and develop 240 acres of the former Bethlehem Steel property along Route 5 into what is now Renaissance Commerce Park.

"The Brownfield tax credits are essential to mitigate the challenges of redeveloping a site like this—we are very concerned that the momentum and success at Renaissance Commerce Park could come to a halt if the Gen. 1 tax credits deadline is not extended," **said ECIDA/ILDC President and CEO John Cappellino.** "The urgency is that the two-year pre-development window has now closed for 78 prime acres with Gen. 1 tax credits expiring in 2027. There continues to be steady interest for future projects, but without the Brownfield Cleanup Program incentives, future projects would be in jeopardy. Four large

employers have invested \$130 million in building their facilities on the site where for decades the decaying steel plant once stood; everything is in place to continue the economic growth at RCP, we have great support from our local elected officials and state development partners, now is the time to push to get this extension in the budget and over the finish line."

The New York State Department of Environmental Conservation created the Brownfield Cleanup Program to enable redevelopment on industrial sites like the former Bethlehem Steel campus, where the high cost of remediation on land once occupied by heavy industry impedes revitalization.

The goal of the Brownfield Cleanup Program (BCP) is to encourage private-sector redevelopment on former brownfields to revitalize the surrounding economically blighted communities. The BCP provides an alternative to greenfield development or "sprawl," and is intended to remove some of the barriers to development on urban brownfields.

TMP/TRS Technologies was the first business to build on the ILDC's initial Renaissance Commerce Park parcels and utilized Gen. 1 RCP tax credits to help finance the construction of their 290,000 square foot manufacturing facility. TMP, which manufacturers the "Magic Eraser" sponge and other foam processing products, now employs more than 150 workers at RCP.

"We are pleased to be the first success story on this acreage at the revitalized Renaissance Commerce Park," **said TMP Technologies President Robert Laughlin**. "Building here enabled us to expand our operations in Western New York and create more local employment opportunities. However, none of this would have been possible without the Generation 1 Brownfield tax credits that offset the higher costs of redevelopment on a former heavy-industrial site."

RENAISSANCE COMMERCE PARK BACKGROUND

Since 2013, more than \$130 million has been invested into the site by private developers and businesses, creating more than 400 high-quality jobs. Local, state and federal governments have invested more than \$40 million in developing infrastructure. An additional \$12 million is allocated for National Grid's installation of high voltage options to attract more light-manufacturers, and for railyard relocation that will open up 40 more acres for development on Phase II parcels.

The ILDC also plans to extend the Shoreline Path Bike Trail south from Route 5 in Lackawanna to Woodlawn Beach and create a public passive park overlook with access to lakeshore views.

The Erie County Industrial Development Agency is a public benefit corporation sanctioned by the State of New York to offer tax incentives to qualified businesses, and is dedicated to furthering economic development, adaptive reuse of qualified properties, job creation and ensuring a thriving business environment in Erie County. The staff of the ECIDA are not employees of the City of Buffalo, the County of Erie, or the State of New York. The ECIDA does not receive operating funds from any taxpayer revenues. Since the agency was sanctioned to provide economic incentives by the New York State Legislature in 1970, ECIDA-incentivized projects have created thousands of jobs and generated billions in economic impact for our region.

The Industrial Land Development Corporation, or ILDC, is the land development services and bond issuance arm of the ECIDA. The ILDC is overseen by a separate Board of Directors, Chaired by Erie County Executive Mark Poloncarz. The ILDC manages the redevelopment of industrial properties including Renaissance Commerce Park in Lackawanna, and the Erie County Agribusiness Park in the Town of Evans.

For more information visit www.ecidany.com