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**GOVERNOR ANNOUNCES \$9.27 MILLION FOR BROWNFIELD PROJECTS IN WNY**  
**Funding Will Support Cleanup Projects at Sites in Buffalo and Tonawanda**

Governor George E. Pataki today announced Environmental Restoration Program (ERP) grants totaling \$9.27 million for the investigation and cleanup of environmental contamination at two sites in Erie County.

The grants include more than \$6 million to the City of Buffalo and Erie County to clean up contamination at the Hanna Furnace Sub-Parcel 3 site, also known as the Union Ship Canal site. In addition, a \$3.24 million grant has been awarded for the investigation of contamination at the Spaulding Fibre Redevelopment Project site in the City of Tonawanda.

“Restoring formerly contaminated sites is vital to the economic and environmental renewal of cities and towns across New York State,” Governor Pataki said. “Here in Western New York, municipal officials will be using these grants to clean up and create new opportunities for residents and businesses. We are pleased that the State is able to partner with these communities to restore these contaminated sites and create a cleaner environment and healthier future.”

State Department of Environmental Conservation (DEC) Commissioner Denise M. Sheehan, who visited the Hanna Furnace site today, said, “The City of Buffalo and Erie County continue to be valuable partners with DEC in investigating and addressing contaminated sites in Western New York. The grants awarded by Governor Pataki today build upon the success New York State has had in assisting municipalities throughout the State in cleaning up brownfields and providing more environmental, recreational, economic, and health benefits from the reuse of these sites.”

Senator Bill Stachowski said, “The reformation of this site is another piece of the puzzle that we hope to put together which will ultimately turn this industrial location into a parcel offering Western New Yorkers clean, safe land on Lake Erie’s shores. By using state dollars for the cleanup of this site, we are making a sound investment with the money that taxpayers send to Albany. We are committed to cleaning up this area, and we will not stop until it is once again being used in a practical, resourceful manner.”

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Senator Marc A. Coppola said, “These two grants represent New York State’s commitment to the decontamination and redevelopment of brownfield locations throughout our community. The Spaulding Fibre site has been a specific concern for the City of Tonawanda because of its proximity to residential neighborhoods. City officials have worked very diligently, since the plants closing more than 15 years ago, to remove harmful contaminants and make this site ‘shovel ready.’ I am glad to be here for the announcement of this funding, which will undoubtedly lead to future economic development in the City of Tonawanda.”

Assemblyman Robin Schimminger said, “Today’s announcement solidifies New York State’s commitment to cleaning up, rehabilitating, and putting the Spaulding Fibre complex back on the local tax rolls and creating an environment that can bring jobs to the community through the Tonawanda Empire Zone. This \$3.24 million brownfield grant builds upon the remediation efforts already undertaken through the state’s Superfund program and comes at a crucial time when partial demolition of the physical plant will soon begin. Many months and years of planning and hard work are now coming together and will soon be paying big dividends as our investment in the Spaulding Fibre Redevelopment Project moves forward.”

Assemblyman Mark Schroeder said, “The Union Ship Canal is a part of our industrial heritage, and with this cleanup, it will become part of the new beginning for our region. Conversion of contaminated sites into parkland and economic development projects is crucial to the revitalization of Western New York and its waterfront.”

Buffalo Mayor Byron W. Brown said, “This important investment from the state will further enhance the ongoing reclamation of these former abandoned brownfields and help continue my Administration’s ongoing economic development agenda. The continuing development of the Buffalo Lakeside Commerce Park, now with this major greenspace amenity made possible through this state grant, is proof that Buffalo can redevelop old industrial sites and bring them back into successful reuse. I thank Governor Pataki and the Department of Environmental Conservation, along with the members of our Western New York State Legislative Delegation, for their support on this project.”

Under historic legislation signed by Governor Pataki in October 2003 to refinance and reform the State’s Superfund and Brownfield programs, the grants announced today provide up to 90 percent of the eligible cost of the investigation. The municipalities are eligible for State assistance through the ERP because they are not responsible for the contamination.

The City of Buffalo and Erie County were awarded a grant of \$6.03 million to jointly remediate environmental contamination at the Hanna Furnace Sub-Parcel 3 site, located at 2 and 4 Fuhrmann Boulevard in the southwest corner of the city. The site consists of approximately 22 acres of land in a 200-foot wide band surrounding the eastern portion of the Union Ship Canal.

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The Union Ship Canal, which is adjacent to the Hanna Furnace site, was constructed in the early 1900s to provide access for barges carrying raw materials for pig iron manufacturing. Sediments within the canal are contaminated, most likely from the historical discharge and spillage from Hanna Furnace while it was still operating or from surface erosion of the site's contaminated soil or fill. The city acquired the entire former Hanna Furnace property, which occupies approximately 113 acres, in 1997 through tax foreclosure. To simplify investigation and redevelopment of the property, the city subdivided it into four parcels based on Hanna Furnace Corporation's previous use of those sections of the site. Three of the parcels were subsequently transferred to the Buffalo Urban Development Corporation, with the city retaining Sub-Parcel 3 for future development as recreational parkland.

In June 2002, the State awarded the City of Buffalo approximately \$100,000 from Environmental Restoration Program to conduct an investigation of the Sub-Parcel 3 site. This investigation confirmed that past disposal of industrial fill materials in a once marshy area and the operations of the iron smelting facility had contaminated soils and groundwater at the site with hazardous substance, including heavy metals and semi-volatile organic compounds.

The cleanup remedy, approved by DEC, includes the removal of debris from the site and the canal bottom; grading the site to accommodate the future use as a park; covering the site with clean soil; stabilizing the canal wall; increasing fish habitat; and engineering and institutional controls.

In addition, a \$3.24 million grant was awarded to Erie County, the Erie County Industrial Development Agency (ECIDA) and the City of Tonawanda for the investigation of environmental contamination of the area designated as the "Spaulding Fibre Redevelopment Project." This site is located at 310 Wheeler Street, approximately one mile south of the Niagara River, in the City of Tonawanda.

The grant will be used to investigate 20 acres of the approximately 46-acre Spaulding Fibre plant site, which is now abandoned. The Spaulding Fibre Company began operations as a manufacturer of vulcanized fiber, an early "plastic" made by treating paper with a chemical solution and later produced composite laminates at the same location. The company also manufactured the paper used to produce vulcanized fiber, and many of the resins used to produce the composite laminates.

Contamination at the site resulted mainly from former bulk chemical handling and waste handling practices. Previous investigations of the plant site showed significant soil and groundwater contamination in a number of areas across the property. DEC is cleaning up these distributed areas under the State Superfund Program. The ERP funds will support further investigation by ECIDA to determine what cleanup actions, if any, might be necessary to prepare this section of the 20-acre site for redevelopment. This determination will take into consideration the proposed future use of the site, which is for light industrial and commercial purposes.

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The Clean Water/Clean Air Bond Act, proposed by Governor Pataki and approved by voters in November 1996, authorized \$1.75 billion for important environmental programs. The Bond Act included \$200 million for ERP grants to municipalities for costs associated with the investigation and cleanup of brownfields. Brownfields are abandoned or underused properties where real or perceived environmental contamination hinders the potential for redevelopment.

To date, more than \$119 million in Bond Act funding has been committed for 214 investigation and cleanup projects at brownfield sites throughout New York State. This funding includes 179 investigation projects totaling more than \$62.8 million and 35 remediation projects totaling more than \$56.5 million. Other applications are under review by the DEC and additional grants are anticipated in the near future.

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