



Association of Towns of the State of New York

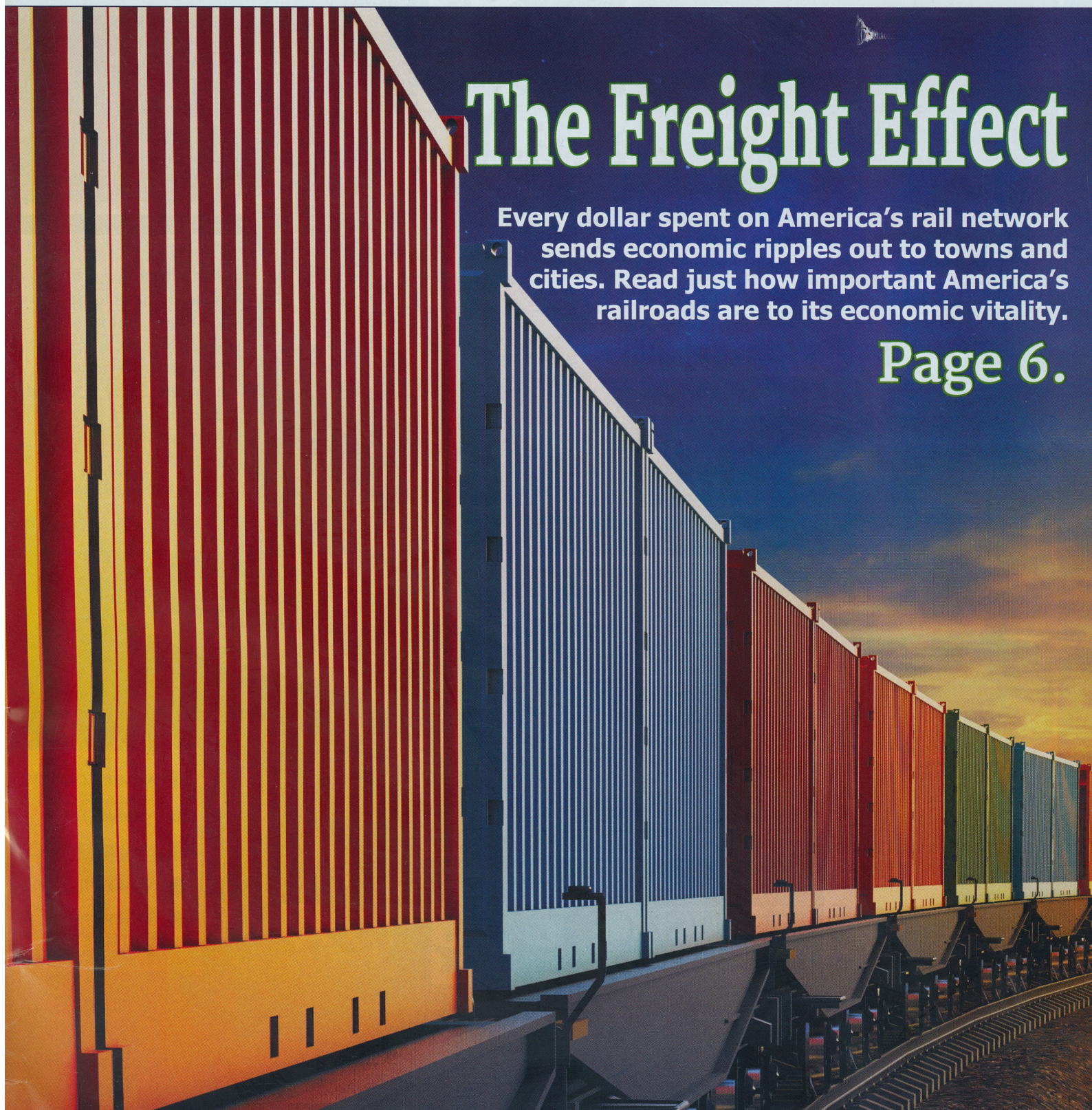
TALK OF THE Towns & Topics

ASSOCIATION OF TOWNS OF THE STATE OF NEW YORK

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The Shovel-Ready Spectrum

By Andrew C. Reilly, PE AICP, Director of Planning & Environmental Services & Adam M. Tabelski, Account Manager, Wendel Companies

Many projects start long before the first golden shovel is ceremonially thrust into the ground. Often, before that momentous occasion arrives, the hard work of planning for a project has been going on behind the scenes for months, if not years.

The expression “shovel ready” is a catch phrase in today’s economic development world, but what does it really mean? Well, that depends on who you ask.

For a city, town or village preparing a parcel of land for development or to be marketed as a business park, for example, it can mean one thing. It might entail the extension of water, sewer and utility infrastructure to the site and the identification and mitigation of any environmental restrictions.

For a company wanting to secure building permits and approvals to get an expansion project underway, it can mean something entirely different. They literally want to be able to put a shovel in the ground as quickly as possible.

For the purposes of this article, the focus will be on the municipality’s perspective of shovel ready. What does a municipality in New York State have to do in order to facilitate a shovel-ready site?

In basic terms, being *shovel ready* means a site or property has gone through some sort of process or set of actions to make it ready for development to a greater extent than it would otherwise be. There are varying degrees of shovel ready, often dependent on state policies and procedures. However,

the common theme is that some sort of effort is expended to prepare a parcel of land in order to expedite actual construction. According to Empire State Development, New York’s main economic development agency, “Shovel Ready Certification is another business-friendly, common-sense, job-creating tool that will continue to ensure New York State retains its competitive edge in the

global marketplace.”¹ In short, it cuts out red tape and other permitting processes often responsible for slowing development.

It is also important to note the preparatory work required to get a site to a certain level of shovel-readiness requires a vision and commitment. Why? Because this work occurs before an active or interested economic development lead arises, not after. There is certainly risk involved.



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From Page 14: Attract Development in your Town by being Shovel Ready

Why Shovel-Readiness is Relevant in Today’s World

One reason is that global economic factors force companies to make market decisions faster than ever before. A site’s state of shovel-readiness offers tremendous benefits to businesses looking to start-up, relocate or expand in an expeditious manner (speed to market). In theory, it also makes the process quicker and less expensive, with fewer surprises that are often the result of complicated regulatory issues.

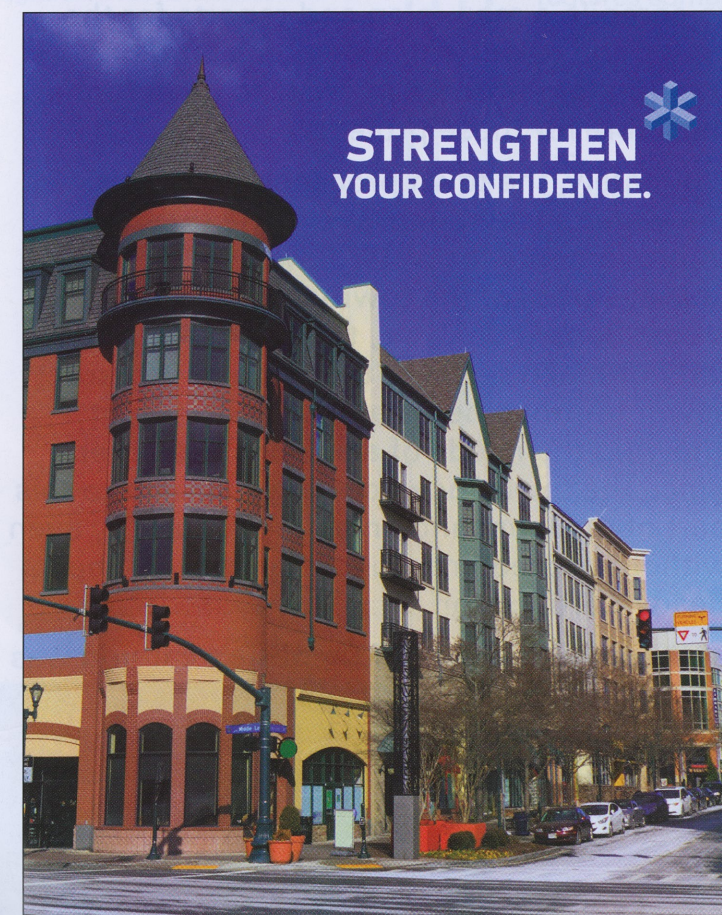
Locally, in New York State, we have entered a new era of economic development. More than ever, municipalities must work closely with economic development agencies and the Regional Economic Development Councils (REDCs) to achieve results. Economic development is becoming something of a

team sport because it takes many partners to make our communities and development sites ready for construction.

To that end, Empire State Development has developed a Shovel Ready Certification Program as a component of the overarching Build Now-NY initiative. This program confers a special designation in documenting that a site “has addressed all major permitting issues ... and construction can begin rapidly once a prospective business decides to develop there.”² For more information on this program, visit www.esd.ny.gov/BusinessPrograms/Data/BuildNow/index.htm.

Naturally, obtaining this NYS Shovel Ready Certification requires undergoing a

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regimented process with numerous steps and criteria that must be met. Also, it comes with a cost, or as an economic developer would say, an investment. Today, there are more than 30 official Shovel Ready Sites across the state, and more than 100 locations with a Build Now-NY designation.

The investment and time required to obtain Shovel Ready Certification may be prohibitive to some municipalities and their partners. In any case, there are many steps that can be taken to be proactive in planning for business growth and targeting appropriate areas for development in your community.

The following are some real life examples of different levels of shovel-ready projects and their associated sites.

Town of Cambria

The town of Cambria updated its Comprehensive Plan, which included the identification of geographic areas for economic development. This process deliberately aligned with regional planning efforts and conformed to the state Smart Growth Public Infrastructure Policy Act. Once these areas were identified, the town found a way to put its Comprehensive Plan into action. Niagara County obtained a grant from National Grid for the NYS Shovel Ready designation. This allowed the town to identify a specific cluster of privately held parcels within the targeted area for development. After submitting letters of interest to the landowners, the shovel-ready process began. As identified in the shovel-ready process, municipalities must make the site more attractive to potential tenants looking for quick development, so the town needed



to improve the infrastructure in the area. This included extending water and sewer service and potentially adding an entrance road into the site. To meet New York State's Shovel Ready Certification, the town needed to compile a map, plan and reports for the water and sewer enhancements, and begin the bonding process in order to have funds available for these projects.

Ultimately, the town proceeded only with the water system improvements (needed improvements for water flows and pressures in that sector of the town). After performing a cost-benefit analysis, the town realized it did not make sense at that time to construct sewer improvements and a road without knowing the needs of a specific customer. Since the town showed a commitment to this part of the work and an ability to fund it, even without proceeding, the site achieved Shovel Ready Certification.

In the end, the town of Cambria's caution was fortuitous, as a potential user who is currently looking at the site needs larger sewers than

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were originally slated to be built. Also, the user will not need a roadway through the site. Other municipalities and economic development agencies have taken similar steps to make their sites shovel ready, without proceeding to a full NYS Shovel Ready designation. Some have taken the standard route of acquiring land, completing a Generic Environmental Impact Statement (GEIS) and constructing infrastructure. To complete a GEIS, an action is needed by a government agency, which can be in the form of some funding (i.e., grants) or through the completion of some sort of site plan or subdivision review. Yet other municipalities have not done a GEIS, but have simply completed environmental site assessments, wetlands delineations, cultural resource studies and reviews of that kind to identify important features and potential hurdles to development.

Town of Hamburg

In the town of Hamburg, located in Erie County, an existing industrial park lay mostly vacant for more than 20 years. The Hamburg New York Land Development Corporation, in conjunction with the town board, acquired this industrial park and proceeded with making it shovel ready by updating the GEIS, including environmental studies, and establishing options for redevelopment of the site. Through a supplemental GEIS (SGEIS), the town resolved the site's issues by working with regulatory agencies and infrastructure authorities. For this site, instead of pursuing the state's formal Shovel Ready Certification, the town enacted a Pre-Permitted Site Law and

established this site as a Pre-Permitted Site. This process entailed getting local approvals for the development of the site and setting conditions that made for easy permitting with local regulatory agencies. Within one year of establishing the industrial park as a Pre-Permitted Site, a large portion of it has been developed by a national company looking to expand its operations in the area.

Planning for Success

Whether the New York State Shovel Ready Certification is obtained or not, all sites that have been targeted for development should have some basic tasks completed and questions resolved, when planning for success. Some actions and questions municipalities must consider are:

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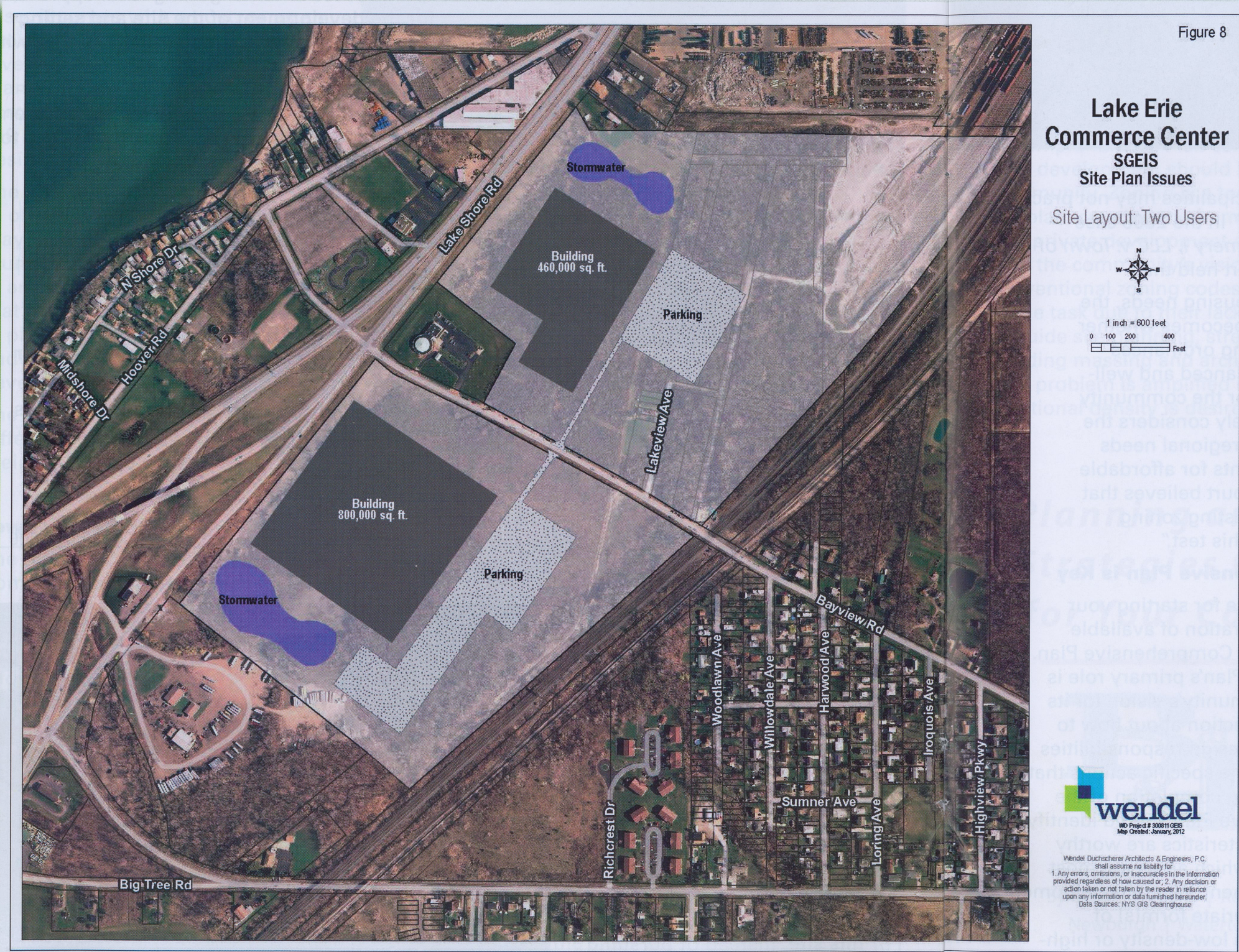


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- What type of customer are you trying to target: Heavy industrial? Food processing? Data center or call center? Light manufacturing?
- What are the infrastructure capacities at the proposed site?
- Is funding available for any required improvements, or have you established other methodologies to accomplish these improvements?
- What is the status of SEQR and other environmental/regulatory issues on the site?
- What studies have been done? When were they done? Are they still valid? For example, wetland studies typically expire after five years.
- What is the zoning of the site, and what is the local process to get approvals? Can these be expedited?
- What other regulatory approvals are needed for development, both in a general sense and for a specific type of project?
- What dialogue has occurred with any affected private property owners?
- Has there been opposition to the site's development?

Ultimately, an obvious benefit to having a shovel-ready site is marketability through the web, brochures and other media. If done properly, the site will also be included in regional economic development plans, which will then put it on the radar of site selectors and economic development partners scouring the region for available space. Securing a shovel-ready site shows that your municipality has made it easier to get to that big moment of celebration when the first shovelfuls of dirt are turned over on an exciting new project with the backing of town leaders and the community. □

(ENDNOTES)

- 1 Empire State Development Website: <http://www.esd.ny.gov/BusinessPrograms/Data/BuildNow/sitelocations.htm>
- 2 Build Now-NY Program Website: <http://www.esd.ny.gov/BusinessPrograms/Data/BuildNow/index.htm>