

New York City Economic Development Corporation
New York City Council Subcommittee on Planning, Dispositions, and Concessions:
S&L Aerospace Metals, Queens (C 150172 PPQ)
Seth Myers, Director of Project Implementation
July 20, 2015

Good afternoon councilmembers,

FOR THE RECORD

My name is Seth Myers, and I am Director of Project Implementation at the New York City Economic Development Corporation. I am here on behalf of the City to testify in support of S&L Aerospace, the intended purchaser of the northern portion of Block 4317 Lot 1 – in College Point, Queens, contemplated in the ULURP under discussion today for disposition approval.

As a result of a 2012 RFP, S&L was selected to develop an industrial facility on City/EDC-owned land in order to expand their operations currently located on the western portion of Block 4317 [current operations are indicated by section A on the map]. The transaction, if approved, would result in the expansion of S&L Aerospace's manufacturing and assembly facilities from 45-thousand square feet to 80-thousand square feet. Following the intended closing, S&L would move into a 10K square foot existing building on the current EDC-owned lot [indicated by the area labeled B on the diagram] followed by the new construction of a 24K SF building on the current City-owned lot [indicated by the area labeled C on the diagram].

We are excited to support this longstanding Queens business and their plans to expand. S&L – has 85 employees today – approval would allow them to bring more than 20 new high quality manufacturing jobs to the College Point Corporate Park paying at - or above - living wage to New Yorkers.

During the RFP selection process and the recent public review, the community and all of the elected representatives have given clear and strong support to S&L Aerospace.

S&L is here today to speak in greater detail about their success as a company, but first I would like to take a few moments to address the concerns that we have heard from Queens Community Board 7 about ongoing environmental remediation on the site. These concerns are entirely separate from the ULURP action under consideration today. However, we realize the community is deeply concerned with these issues and accordingly will address them today.

RJR, a *prior* owner of the land that we intend to sell to S&L, assumed liability for an oil spill on the property by entering into a stipulation agreement with the New York State Department of Environmental Conservation - DEC - in 2007. This stipulation states that RJR is obligated to clean up and remove contamination related to the oil spill. As stated in the letter from DEC that I will read into the record following this testimony, RJR has been working in good faith to remediate the spill since entering into the stipulation agreement.

It should be noted that oil spill remediation can take long and often undefined periods of time to complete. However, RJR has made progress cleaning-up the spill - since entering into the agreement with DEC, RJR has completed the following:

- Removed the failed underground fuel tanks, associated piping and the surrounding contaminated soil,
- Removed the free product that had been floating on the water table,
- Disposed of the nearly 1,500 pounds of contamination via soil vapor extraction and
- And removed over 1.5 million gallons of impacted groundwater.

And progress continues. As of this month, DEC has approved a new work plan to delineate the remainder of the impacted soil and groundwater. The results of the work plan will be used to develop a Remedial Action Plan.

We sympathize with Community Board 7's frustrations regarding the pace of remediation and have confirmed commitments from RJR and DEC that the site will be fully remediated. Following my testimony, I will read a statement from RJR reaffirming their commitment to completing the site's remediation. RJR and DEC's stipulation agreement obligates RJR to complete the remediation work, but in the event that RJR does not complete the remediation, the Department of Environmental Conservation will take over the project as a special remediation spill case. This means that regardless of the responsible party, ***the remediation work will be completed.*** RJR has also stated that going forward they will keep Community Board 7 and the College Point Corporate Park updated on their progress on a quarterly basis, or more frequently as needed.

S&L is well aware of the ongoing remediation and their expansion into the existing EDC-owned building [indicated by B on the map] will not be inhibited by RJR's remediation efforts.

Additionally, prior to constructing the new building on the site of the City-owned vacant land [indicated by C on the map], S&L will complete an environmental phase two and remediate as may be necessary for construction. It should be further noted that the plume from the original spill does not appear to be located in the footprint of S&L's new development. Again, RJR's remediation work will not impede S&L's expansion.

S&L has provided access to its current facility [indicated by A on the map] to RJR for ongoing investigatory work and will continue to provide access to RJR for completion of the remediation work throughout their expansion into the existing building.

I would like to remind the Committee that S&L Aerospace is a model manufacturing company that provides high quality career pathways to New Yorkers of all backgrounds and skill levels in a growing sector that is vital to New York City's economy. Approval of this ULURP action will support S&L's plans to invest in their community and create additional high-tech manufacturing jobs. We urge City Council to separate the complicated history of this site from the future of this thriving College Point jobs creator.

I will now read the aforementioned letters for the record.

[read letters]

RJR Realty Associates, LLC

**213-19 99th Avenue
Queens Village, NY 11429**

July 17, 2015

VIA EMAIL

Council Member Paul A Vallone
42-40 Bell Blvd.
Suite 507
Bayside, NY 11361

Re: Status of RJR Realty/Cofire Industries Project

Dear Council Member Vallone,

On behalf of my partners and I, I would like to thank you for taking the time to meet with us recently in your office and at our site. We want to assure you and Community Board 7 that we are committed to completing the environmental remediation to current accepted standards and installing a new state of the art asphalt manufacturing facility, including the tax lot separation work, on the site as expeditiously as possible. I would like to highlight what we have accomplished over the last several years.

- In 1998 an oil leak was discovered on site upon removal of underground storage tanks.
- In 2007 RJR signed a stipulation agreement with NYSDEC to remediate the site, submitted and received approval of a Remediation Action Plan and installed the DEC approved remediation system.
- From discovery of the spill through January 2014 RJR removed over 275 cubic yards of impacted soil, removed approximately 1,500 pounds of contamination via soil vapor extraction and extracted, treated and discharged approximately 1,600,000 gallons of impacted groundwater.
- The majority of the construction and demolition work required for the new tax lots was completed by fall 2014. The remainder of the tax lot work includes various inspections and sign-offs from DOB.
- From June 2014 through June 2015, we submitted a closure work plan to DEC, performed additional investigation work and submitted and received approval of a work plan for the final round of investigation, which should be completed by the end of July.

Upon completion of the final round of environmental investigatory work, it will take 2 - 3 months to analyze the data, prepare the report and meet with DEC to discuss the results and agree on what additional remediation may be required.

Cofire Industries has ordered all of the equipment for the new facility. Approximately half of the equipment, with a value of approximately \$800,000 has been paid for, delivered and is being stored in the Bronx.

When the tax lot work is completed we will promptly submit the applications for the permits to install the new asphalt plant. Upon receipt of the necessary permits we are committed to immediately commencing the site work and installing the new asphalt plant within one year of the construction commencement date. Our agreements with EDC will reflect this timing.


I just want to reiterate that we are committed to completing the tax lot and remediation work and getting the new plant up and running as soon as possible. Each month that the new asphalt facility is not in operation we lose over \$900,000 in potential revenue.

Lastly, we understand that the Community Board 7 and the College Point Corporate Park Task Force are unhappy with the lack of updates on the progress of this project. Going forward, we will present to the task force on the current status and projected completion and provide the task force with updates on a quarterly basis, or more frequently as needed.

Again we thank you for your interest and involvement in our project and would welcome any assistance that you may offer in expediting its completion. We look forward to continuing our longstanding relationship in the corporate park and surrounding community.

Sincerely,

RJR REALTY ASSOCIATES, LLC



Ross J Holland
Vice President

cc: Alexandra Kaplan NYCEDC Project Manager
Army Levitan NYC Council Land Use Division
Community Board No. 7

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Regional Director, Region 2
47-40 21st Street, Long Island City, NY 11101
P: (718) 482-4949 | F: (718) 482-4026
www.dec.ny.gov

July 15, 2015

Paul Vallone - District 19 - Council Member
42-40 Bell Boulevard, Suite 507
Bayside, New York 11361

Dear Councilmember Vallone,

This letter updates our letter to the City Planning Commission dated June 2, 2015 for its use during the hearing for ULURP #150173PPQ. The letter discusses the enforcement activities of the Department of Environmental Conservation (DEC) related to the Cofire Paving (Cofire) asphalt plant and their affiliate RJR Realty Associates.

Cofire was issued an Air Facility Registration by DEC on March 28, 2007. At that time, our regulations did not require end-dates with regards to Air Facility Registrations. Our regulations have since been updated and CoFire will need to renew their Air Facility Registration by March 27, 2017.

Their Registration indicates that they are burning #2 fuel oil. Nitrous Oxide (NOx) emissions are capped at 12.5 tons per year and the facility will limit the annual asphalt production to no more than 200,000 tons. Our last inspection of 3/31/2015 showed that they produced the following tonnages:

2012- 38,176 tons of asphalt
2013-48,189 tons of asphalt
2014-60,371 tons of asphalt

All of which are well below the maximum permissible 200,000 tons.

At this time, please note that there are no air-related enforcement matters.

Regarding the Stipulation with RJR Realty Associates that controls the clean-up and removal of discharge from spill# 98-11754, it has been in effect since February 2, 2007. Cofire has been working on removing petroleum that has been absorbed by the soil under the site and dissolved in the groundwater. This process has been slow, as is typical with this type of remediation, but progress is being made as all floating product has been removed from the water table.

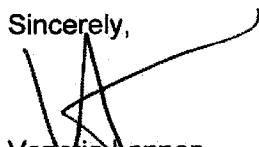
DEC believes that Cofire has been working in good faith to remediate the spill. The next step is to delineate and remediate impacted soil and groundwater. To this end, Cofire and DEC met on May 27, 2015 in order to finalize the details of a prospective work plan. The results of the meeting were that additional groundwater monitoring wells and soil borings will be installed in order to more fully delineate the extent of the contamination. In addition, tri-annual groundwater monitoring will continue.

Progress Since the June 2 Letter

A workplan for the delineation was submitted to NYSDEC by Cofire on June 19, 2015 and approved on July 1 by NYSDEC. The New York City Office of Environmental Remediation also submitted a separate work plan dated June 19, 2015 for additional investigative work at the site. This plan was also approved by the NYSDEC. Field work for both plans is scheduled for late July. The workplan submitted by Cofire includes a schedule that will result in completion of the delineation report sometime during late summer, after which the remedial action plan will be developed. The Department is continuing to work with Cofire to move the remediation process forward.

If you have any questions as to the status of the remediation or any other concerns regarding the regulated environmental performance of the facility, please don't hesitate to reach out to me at (718) 482-4949.

Sincerely,

A handwritten signature in black ink, appearing to read 'Venetia Nannon', written over a horizontal line.

Venetia Nannon
Regional Director
New York State Department of Environmental Conservation, Region 2

I will now respond to any questions you may have.

Thank you.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

LV 253

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: TED VARVATSAS

Address: NY

I represent: S+L

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

LV # 253

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: Rob Holbrook

Address: _____

I represent: EDC

Address: 100 William St

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: Charles Gans

Address: 110 William Street NY NY

I represent: NYCEDC

Address: 110 William

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 254, 255 Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: Veranda Simmons

Address: 100 Gold St. 9th Floor

I represent: HPD

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 254/255 Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: Ralph Delet

Address: 300 E. 175th St. Bx. NY

I represent: ACACIA GARDENS

Address: 300 E. 175th St. Bx. NY
10457

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 254/255 Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: Artie Pearson

Address: 100 Gold street

I represent: HPD

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Seth Myers

Address: 110 William

I represent: NYCEDC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: Keith Demark

Address: 110 William St

I represent: NYCEDC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: TRACEY BELL

Address: 110 WM ST

I represent: NYCEDC

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: JULY 20, 2015

(PLEASE PRINT)

Name: GLENN LAU-KEE

Address: 354 BROOME ST, SUITE 1, NY, NY

I represent: S&L AEROSPACE METALS LLC

Address: 120-12 28th AVE., FLUSHING, NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/20/15

(PLEASE PRINT)

Name: LAWRENCE SCHWARTZ

Address: 55 E. 87th ST. NYC 10128

I represent: S&L Aerospace Metals LLC

Address: 120-12 28th Ave, Flushing, NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: ALEXANDRA KAPLAN

Address: 110 WILLIAM ST.

I represent: NYCEDC

Address: _____

Please complete this card and return to the Sergeant-at-Arms