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Uncertainty over Kodak environmental fund stalling economic council work

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The Finger Lakes Regional Economic Development Council is set to intensify work on its 2013 plan for business growth even though the fate of a key priority project remains unresolved.

The 33-member council, which includes business, political and civic leaders from the 9-county Rochester region, met for an hour this week for briefings and learn the schedule for developing the year's plan. The plan, which will include new projects seeking state funding, will be submitted to the state in September for an end-of-the-year decision from Albany.

One major obstacle for the council's planning, however, is the immediate future of the Eastman Business Park, the 1,200-acre former Kodak Park that the council has designated as its top priority for business growth. The council has said that the park, with its size, manufacturing infrastructure and self-contained power and water systems, is a jewel in the local business environment.

But moving forward with park initiatives has been made more difficult by problems related to Kodak's ongoing Chapter 11 bankruptcy case. In June, the state and Kodak engineered an environmental cleanup plan related to Kodak's disposal of industrial waste on the site.

The deal was meant to enable Kodak to emerge from bankruptcy in September with a cleanup plan in place that would assuage the concerns of tenants and prospective businesses.

But the federal Environmental Protection Agency has said that the \$49 million cleanup fund, financed by Kodak and the state, was not enough to cover costs that might arise at the site. Several environmental groups and individuals also have complained about the plans.

Sen. Charles Schumer and others have proposed that the state pick up additional costs if the fund runs out, with Kodak chipping in an unspecified share.

"The clock is ticking," council co-chair and University of Rochester president Joel Seligman said. "The Eastman Park issue has not been resolved." Seligman said the council likely would hear an update on the issue at its August meeting.

The council has not taken a position on the environmental issues related to the park. The primary concern for the regional business community has been to lift the uncertainty over the park so growth plans can go forward.

Additional Facts

Key dates

Aug. 12, 2013, 4 p.m.: Submission deadline for regional Consolidated Funding Applications, a streamlined state funding stream available through the council.

Aug. 21. 2-5 p.m.: Regional council meeting. Work groups to submit priority project recommendations.

Sept. 6: Target date to complete CFA scoring.

Sept. 13: Council to vote on 2013 progress report and priority projects.

Sept. 24: Report and priority projects due to the state for review.
