



COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

July 3, 2026

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

**RE: Contract with the Erie County Industrial Development Agency for the
Relocation of Railroad on the former Bethlehem Steel site**

Dear Honorable Members:

Please find enclosed a memorandum and proposed resolution from the Department of Environment and Planning authorizing the execution of a contract with the Erie County Industrial Development Agency or Buffalo and Erie County Industrial Land Development Corporation for the relocation of railroad on the former Bethlehem Steel site.

The Department of Environment and Planning anticipates contracting with the ECIDA which will then bid the project for design and eventual construction.

Should your Honorable Body require further information, I encourage you to contact Daniel Castle at the Department of Environment and Planning. Thank you for your consideration on this matter.

Sincerely yours,

A handwritten signature in blue ink, reading "Mark C. Poloncarz".

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/nb

Enclosure

cc: Daniel R. Castle AICP, Commissioner
Mark Rountree, Chief Planner

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Department of Environment and Planning
Re: Contract with the Erie County Industrial Development Agency for the Relocation of Railroad on the former Bethlehem Steel site
Date: July 3, 2026

SUMMARY

It is recommended that the Erie County Legislature authorize the County Executive to enter into a contract with the Erie County Industrial Development Agency for the purpose of facilitating the relocation of railroad for development purposes. Presently the railroad running adjacent to Route 5 presents a barrier of access to enter the site south of Smokes Creek. The Railroad is also located in an area planned for future industrial development and the proposed Shoreline Trail expansion to Woodlawn Beach. Erie County and the ECIDA secured two grants from Empire State Development totaling \$6,545,000 to offset the total cost of the project. The proposed allocation provides the matching funds toward the project. The funding allocated will allow Erie County and the Erie County IDA to commence construction of the relocated railroad.

FISCAL IMPLICATIONS

The proposed funding of \$2,600,000 was designated for Renaissance Commerce Park development in the Erie County Capital budgets.

REASONS FOR RECOMMENDATION

CBRE, a real estate broker and market reach firm, recently measured the industrial vacancy within Western NY at a low of 1.9%. If new sites are not developed in the next 2-3 years, Erie County will be unable to attract and retain businesses looking for larger sites due to the dwindling inventory of shovel ready industrial land. Continued investment in the development of shovel-ready industrial land over is needed to position the County with sites which are ready and available to attract and retain companies.

Following the public acquisition of a portion of the site, there has been a sustained level of interest from businesses interested in the rebranded Renaissance Commerce Park. TMP, 8 Dona Street, 2 Steelworkers Way are examples of the interest in Renaissance Commerce Park. This project is the first step towards opening the southern portion of the Park, south of Smokes Creek by removing and relocating impediments to access. This project will enable the relocation of underutilized rail located along Route 5 to an interior site location. The present location of the rail restricts development potential of the site and also impedes vehicular access to the southern section of the site, leading to potential truck backups on Route 5. The relocated track will be located in a interior location, zoned for medium and heavy industry which is better suited for ancillary multi-modal development utilizing the track. The railroad right of way including the bridge across Smokes Creek will be utilized for the proposed Shoreline Trail connection to Woodlawn Beach and proposed Smokes Creek public access area.

BACKGROUND INFORMATION

The ILDC, a subsidiary of the Erie County Industrial Development Agency (ECIDA) is the property owner of the site or possesses options to purchase. They have staff that are experienced in subcontracting with contractors specializing in design of rail. The ECIDA has already completed this type of work on the previous rail relocation projects on the Bethlehem Steel site. The County contribution is being utilized as a match for the \$6,545,000 Empire State Development grant secured. The project was recently bid.

CONSEQUENCES OF NEGATIVE ACTION

If a resolution to enter into a contract is not approved, Erie County and the ECIDA will not be able to complete this work. The Railroad will not be relocated to open the south side of the Bethlehem Steel site for new development. The \$6,545,000 ESD grant will need to be canceled.

STEPS FOLLOWING APPROVAL

Upon approval of the resolution, contracts will be executed with the ECIDA, and the railroad relocation construction will commence.

COMPTROLLER'S OFFICE

The proposed item has been reviewed by the Comptroller's Office and is related to the following authorized capital projects for which there are sufficient appropriations for the action requested.

A.22017 - \$949,632

A.26006 - \$1,650,368 — Cash advance — 2026 Bond Sale

Total - \$2,600,000



Timothy C. Callan
Comptroller's Office

6/15/25

cc: File: A.22017 *Bethlehem Street Redevelopment*
A.26006 *Renaissance Commerce Park Improvements*

A RESOLUTION SUBMITTED BY:
DEPARTMENT OF ENVIRONMENT AND PLANNING

RE: Contract with the Erie County Industrial Development Agency for the Relocation of Railroad on the former Bethlehem Steel site

WHEREAS, The County of Erie is interested in the fostering of business growth and job creation within Erie County; and

WHEREAS, Erie County desires to encourage the sound reuse of urban brownfields for productive use, be it industrial, commercial, or recreational; and

WHEREAS, County of Erie, City of Lackawanna, Erie County Industrial Development Agency, continue to work cooperatively toward achieving the redevelopment of the former Bethlehem Steel site; and

WHEREAS, the relocation of existing railroad lines is necessary to develop the site into a shovel ready site ready for development; and

WHEREAS, the Erie County Industrial Development Agency has extensive experience in contracting with consultants and contractors specializing in design of railroad infrastructure; and

WHEREAS, the County of Erie has approved funding in the County Budget to be utilized specifically for infrastructure and redevelopment on the former Bethlehem Steel site;

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature hereby authorizes the County Executive or Deputy County Executive to enter into contracts with the Erie County Industrial Development Agency or Buffalo and Erie County Industrial Land Development Corporation, or other state and federal agencies, and consultants in amounts not to exceed a total of \$2,600,000, for the purpose of the construction of railroad on the former Bethlehem Steel site in the City of Lackawanna; and be it further

RESOLVED, that authorization is hereby given to the County Executive or Deputy County Executive to enter into agreements with the Genesee and Wyoming Railroad Inc., New York State Department of Transportation, Erie County Water Authority as necessary to execute this project and complete the work; and be it further

RESOLVED, that the source of these funds shall be in SAP accounts A.22017 in the amount of \$949,632 and A.26006 in the amount of \$1,650,368 available respectively as part of the approved County budgets; and be it further

RESOLVED, that the Clerk of the Legislature be directed to send certified copies of this resolution to the County Executive's Office, Comptroller's Office, Division of Budget and Management, Department of Law, and Department of Environment and Planning.

TO: COMPTROLLER'S OFFICE

PROPOSED RESOLUTIONS REQUIRING RULE 55

CONTRACT APPROVAL CHECKLIST
CONFIRMATION OF AVAILABILITY OF FUNDS IN CAPITAL PROJECTS

REQUESTING DEPARTMENT

COMPLETE ITEMS 1 THROUGH 5

- | | |
|-----------------------|---|
| 1. CONTRACTOR'S NAME | <u>Erie County Industrial Development Agency</u> |
| 2. AMOUNT OF CONTRACT | <u>\$2,500,000.</u> |
| 3. PROJECT NUMBER | <u>A.22017 \$ 949,632.</u>
<u>A.26006 \$1,650,368.</u> |
| 4. PROJECT TITLE | <u>Relocation of Railroad on the former Bethlehem Steel site</u>

<u>Funding questions: Mark Rountree</u> |
| 5. DEPARTMENT CONTACT | <u>Letter pickup: Nancy Brown</u> |

COMPTROLLER'S OFFICE

COMPLETE ITEMS 6 AND 7

- | | |
|------------------------------------|----------------------|
| 6. AVAILABILITY OF FUNDS | <u>\$ 3,449,632</u> |
| 7. PERFORMED BY | <u><i>Kings</i></u> |
| Date Sent to Comptroller's Office: | <u>June 12, 2026</u> |

[55 compt_10]

DATE: 6/12/2026

1) IS THE REASON FOR THIS CONTRACT CONSISTENT WITH THE PURPOSE OF THE PROJECT: YES X NO

2) PROJECT AVAILABLE APPROPRIATION

Comments: There is currently \$1,000,000.00 cash within the project.

Request Approved: Taty C. Allen

Request Denied: _____

Date: 6/15/26

DATE: 6/12/2026

1) IS THE REASON FOR THIS CONTRACT CONSISTENT WITH THE PURPOSE OF THE PROJECT: YES X NO

2) PROJECT AVAILABLE APPROPRIATION

Total Project Revenues	\$ -
Total Project Appropriations	\$ 2,500,000.00
Less: Total Expenditure To Date	\$ -
Less: Total Commitments	\$ -
Available Appropriations As Of Date Of Request	\$ 2,500,000.00
Less: Contract Amount	\$ 1,650,368.00
Net Available Appropriations	\$ 849,632.00

Comments: There is no Trial Balance at this time. This Project will be funded with the 2026 Bond Sale. Until then cash will be advanced for this resolution. Availability of Funds is based on the Consolidated Bond Resolution.

Cash advance

Request Approved: Taty Cole

Request Denied:

Date: 6/15/26