Executive Summary

The once-contaminated SMS Instruments, Inc. Superfund site in Deer Park, New York, is now in commercial reuse and providing employment opportunities, income and tax revenue to the community. Over a decade of metal degreasing and refurbishing operations, including the overhaul of military aircraft components, left the site contaminated and in need of remediation. To make cleanup and reuse happen, the U.S. Environmental Protection Agency (EPA) and the New York State Department of Environmental Conservation (NYSDEC) worked with SMS Instruments, Inc. (SMS Instruments), the potentially responsible party, to clean up the site and prepare it for reuse.

Today, a local business, Datacomm Cables, Inc., is located on site. The company serves local and international customers, and specializes in providing high-quality cables, cords and related computer accessories. This case study explores the cleanup, continued use and reuse of the site, illustrating the opportunities and beneficial effects of Superfund redevelopment in action.

Beneficial Effects

- **One commercial business supplying distribution and retail services nationally and internationally is currently active at the site.**
- **The site business employs 14 people, providing estimated annual employment income of about $1.4 million.**
- **In 2013, site business sales reached an estimated $1.7 million.**
- **In 2013, the property generated over $40,000 in tax revenues and the site sold for almost $1.6 million.**

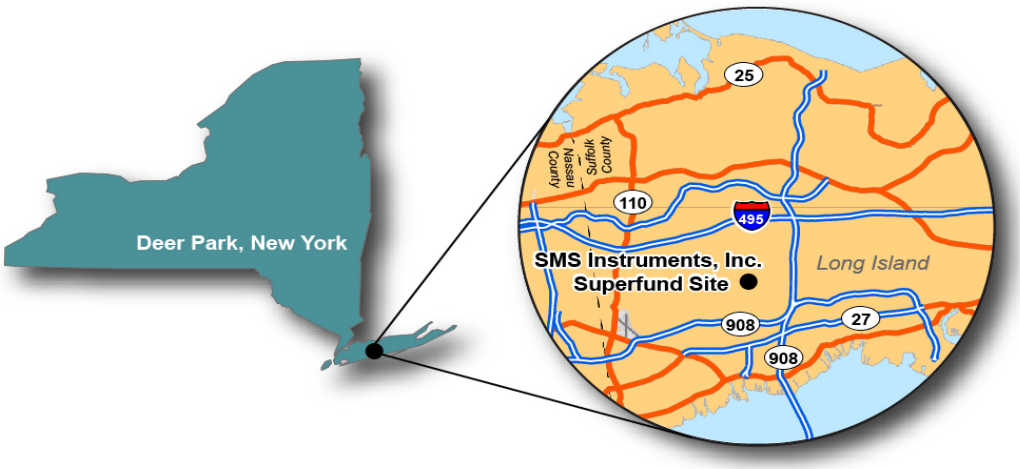

Figure 1. The site's location in Deer Park on New York's Long Island.

Introduction

When a Superfund site is restored for reuse, it can revitalize a local economy with jobs, new businesses, tax revenues and spending. This case study captures the beneficial effects on site and in the community of the most recent commercial use of the SMS Instruments, Inc. Superfund site.

The 1.5-acre site is located in a light industrial and commercial area in the community of Deer Park on New York's Long Island. Deer Park is located in the town of Babylon in Suffolk County, east of New York City. (Figure 1). Ninety percent of the one-parcel property is covered by asphalt or the 34,000-square-foot building that houses Datacomm Cables, Inc.'s operations. Access to the property is from Marcus Boulevard, which runs adjacent to the western edge of the site. A recharge basin sits along the site's eastern border. Commercial and industrial properties border the site to the north and south. According to 2013 Census data estimates, 1,499,738 people live in Suffolk County.[1]

Site History

In 1971, SMS Instruments began overhauling military aircraft components on site. Operations included cleaning, painting, degreasing, refurbishing and testing the components. The cleaning and degreasing processes required the use of heavy solvents.

Site operators disposed of process wastes into a large leaching pool on site. The leaching pool, as well as a leaking 6,000-gallon underground storage tank used for jet fuel storage, and leaking waste drums, caused the contamination of site soil and groundwater. Suffolk County's Department of Health Services discovered the leaching pool in 1979 and required that SMS Instruments discontinue this disposal technique. SMS Instruments pumped the pool dry but stored much of the removed waste in barrels on the site. The business continued to operate until 1990.

Site Cleanup

Over the past three decades, the site has been cleaned up through collaborative efforts between EPA and NYSDEC. NYSDEC alerted EPA to the contamination and EPA proposed the site for inclusion on the Superfund program's National Priorities List (NPL) in 1984. In 1986, EPA finalized the site on the NPL. Though SMS Instruments was the site's potentially responsible party, the company was not able to pay for the cleanup. EPA used federal resources to fund most of the cleanup actions.

In September 1989, EPA selected a remedy to clean up groundwater and soil at the site. The remedy included soil treatment (soil vapor extraction) and groundwater treatment (involving extracting, treating, re-injecting and monitoring groundwater) until it achieved cleanup standards. It also included the removal of contaminated materials, such as drums and an underground storage tank. EPA operated the soil vapor extraction system from 1992 to 1994. In 1994, EPA began pumping and treating groundwater. In 2003, a remedial system evaluation (RSE) by EPA evaluated ways to optimize remaining cleanup efforts, and to reduce costs and cleanup time. Following the RSE, EPA worked with its contractor to reduce operation costs and conduct additional investigations to locate residual soil contamination.

In April 2005, EPA discontinued use of the groundwater treatment system and began using air sparging and biosparging techniques. EPA transferred responsibility for the site to NYSDEC in July 2005. NYSDEC continued soil

[1] U.S. Census Bureau. Suffolk County, New York: State and County Quick Facts. http://quickfacts.census.gov/qfd/states/36/36103.html.

remediation and groundwater monitoring for a few years, until investigations showed that cleanup standards had been met. After meeting the cleanup objectives, EPA took the site off the NPL in September 2010.

Given the site's location in an established commercial industrial area, EPA anticipated there would be significant interest in reusing the property. Fernanda Manufacturing, Inc., which imported, assembled and packed wooden kitchen utensils, began leasing the site in 1995. EPA entered into an Agreement and Covenant Not to Sue with them the following year. Through this agreement, EPA acknowledged that Fernanda Manufacturing, Inc. was not responsible for and did not contribute to site contamination prior to 1995. In turn, the company agreed to cooperate with EPA as remediation continued. The company operated on site for several years.

Figure 2. The groundwater remediation system, which extracted, treated and reinjected groundwater as part of the remedy at the Site.

Local Beneficial Effects

Today, a different business is benefiting from the site's cleanup and the property's industrial location and existing infrastructure. Datacomm Cables, Inc. operates on site and provides much more to the Deer Park area than cables, cords and related accessories. This new lessee provides jobs and employment income, and generates local and state sales as well as property tax revenue.

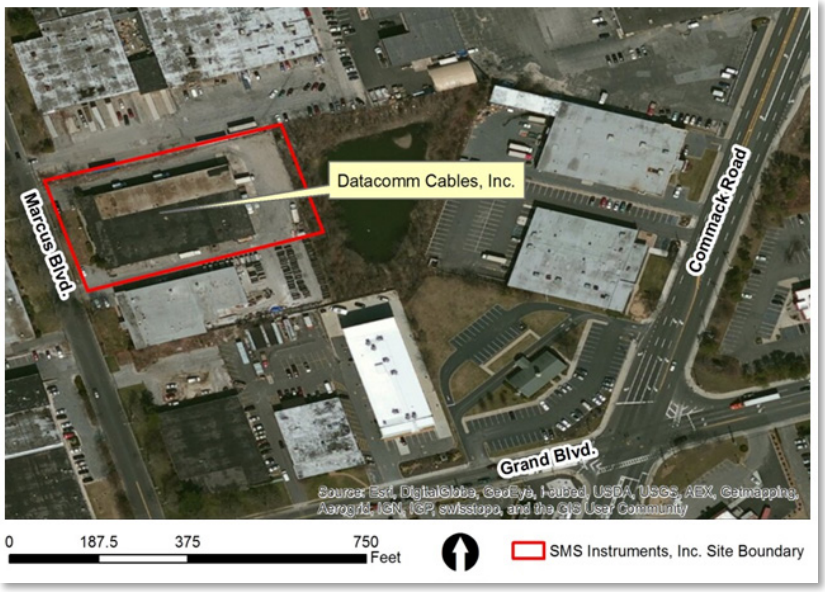

Figure 3. Site map.

Datacomm Cables, Inc.

Datacomm Cables, Inc., also operating as Cables.com, has been distributing and manufacturing computer cables and accessories since 2001. The company offers customers a variety of fiber optic and power cables, as well as networking and home theater audio/video cables and accessories. In addition to its location on site in Deer Park, the company has an extensive online presence. The business is open on weekdays and has warehouses across the country to assist with quick shipping. It maintains a staff of 14 employees and provides over $1.4 million in estimated annual income. Estimated business sales in 2013 were $1.7 million.

Property Value and Tax Revenues

In 2013, the site property generated over $40,400 in total tax revenues. The business also has retail sales and services that generate tax revenues through the collection of sales taxes, which support state and local governments.[2] In addition, the Town of Babylon Assessor's Office noted that the property sold for almost $1.6 million in 2013.

Future Site Use

Looking forward, EPA will continue to work with state and local agencies, the site owner and potential lessees to support protective and productive site reuse. Site uses will remain commercial and industrial due to area zoning.

Conclusion

The cleanup of the SMS Instruments, Inc. Superfund site has transformed a contaminated property into an area that supports commercial activity on a daily basis. The on-site business contributes to the community and fits in with surrounding industrial businesses. Cleanup and reuse was made possible through the coordinated efforts of EPA and NYSDEC.

Figure 4. Datacomm Cables, Inc. is located at the site.

For more information about EPA's Superfund Redevelopment Initiative (SRI), visit: http://www.epa.gov/superfund/programs/recycle.

[2] The combined state and county sales tax rate in Suffolk County is 8.625 percent. See the Suffolk County Comptroller's website for more information: http://suffolkcountyny.gov/comptroller/DidYouKnow.aspx.

Technical Appendix

Employment Information for On-site Jobs

EPA obtained information on the number of employees and sales volume for on-site businesses from the Hoovers/Dun & Bradstreet (D&B) database. EPA also gathered information on businesses and corporations from D&B. D&B maintains a database of over 179 million companies globally and over 53 million professional contact names using a variety of sources, including public records, trade references, telecommunication providers, newspapers and publications, and telephone interviews. The Data Universal Numbering System (DUNS) number is a unique nine-digit identification number assigned by Hoovers to each business and its location within the Hoovers database for identifying each business.

Wage and Income Information for On-site Jobs

EPA obtained wage and income information from the U.S. Bureau of Labor Statistics (BLS). The BLS is a governmental statistical agency that collects, processes, analyzes and disseminates essential statistical data to the American public, the U.S. Congress and other federal agencies in the broad field of labor economics and statistics. The data EPA obtained from the BLS has high standards of accuracy and consistently high statistical quality, and impartiality in both subject matter and presentation.

EPA used the BLS Quarterly Census of Employment and Wages database to obtain average weekly wage data for the business located at the SMS Instruments, Inc. Superfund site. Average weekly wage data were identified by matching the North American Industry Classification System (NAICS) codes corresponding with each type of business with weekly wage data for corresponding businesses in Suffolk County. If not available at the county level, wage data were sought by state or national level, respectively. In cases where wage data were not available for the six-digit NAICS code, higher level (less detailed) NAICS codes were used to obtain the wage data.

To determine the annual wages (mean annual) earned from jobs generated by the businesses located at the SMS Instruments, Inc. Superfund site, the average weekly wage figure was multiplied by the number of weeks in a year (52) and by the number of jobs (employees) for the business.

For more information on reuse at Superfund sites, please visit: http://www.epa.gov/superfund/programs/recycle.

Table 1: SMS Instruments, Inc. Site Businesses: NAICS Code and Title, Employees, Average Weekly Wage, Annual Wage per Employee, Total Annual Wages and Total Annual Business Sales

On-site Business	NAICS Code[a]	NAICS Title	Employees[b]	Average Weekly Wage (2012)[c]	Annual Wage (Mean Annual) per Employee	Total Annual Wages[d]	Total Annual Business Sales (2013)[b]
Datacomm Cables, Inc.	423430	Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	14	$1,960	$101,920	$1,426,880	$1,700,000
TOTALS			**14**			**$1,426,880**	**$1,700,000**

[a] NAICS code is from D&B database.
[b] Employee data is from D&B database.
[c] Average weekly wage per employee is based on BLS Average Weekly Wage data.
[d] Total annual wage figures were derived by multiplying "Employees" by "Annual Wage (Mean Annual) per Employee."

Property Values and Local Tax Revenue Generated from Property Taxes

EPA obtained data on the most recently assessed values for property parcel at the SMS Instruments, Inc. Superfund site in June 2014 from Suffolk County's online property appraisal database (http://gis.townofbabylon.com:81/orpsviewer/default.aspx). EPA also obtained 2013 property tax information for the site parcels.

Table 2. Property Value and Tax Summary for Taxes Payable in 2013

Parcel ID No.	Parcel Address	Total Assessed Value of Land	Total Assessed Value of Land and Improvements*	Total Property Tax
0100-065.00-01.00-028.003	120 Marcus Blvd	$4,500	$14,090	$40,419

* Based on a call with the Town of Babylon Assessor's Office on June 16, 2014, it is not uncommon for property tax to be higher than the total assessed value of a property. Property taxes may have been determined using the "income approach" (http://www.tax.ny.gov/research/property/reports/ratio/uniformassmntstd/valuation.htm), in which the value of a parcel is determined by capitalizing rental income potential. According to the assessor's office, the current assessed land value on file was determined in 2009. The property sold on March 5, 2013, for $1,595,000.