

Executive Summary

For over two decades, companies made audio-visual equipment and vinyl records at the 34-acre Goldisc Recordings, Inc. Superfund site in Holbrook, New York. An automobile engine refurbishing company also operated on site. Wastes generated by these activities contaminated soil and groundwater. Potentially responsible parties (PRPs) worked with EPA and state officials to ensure the safe commercial and industrial use of the site, during and after cleanup. Today, the area hosts commercial facilities for a variety of businesses.

In total, the site supports nine businesses, including a furniture and home goods distribution center, a moving company, a packaging facility and a FedEx Ground distribution center. This case study explores the area's cleanup, reuse and continued use, illustrating the opportunities and beneficial effects of Superfund redevelopment in action.

Beneficial Effects

- Nine commercial and light industrial businesses are currently active at the site.
- Site businesses employ over 500 people, providing annual employment income of over \$28 million to the community.
- In 2014, site properties generated over \$427,000 in tax revenues and had a total estimated property value of nearly \$3.2 million in 2015.

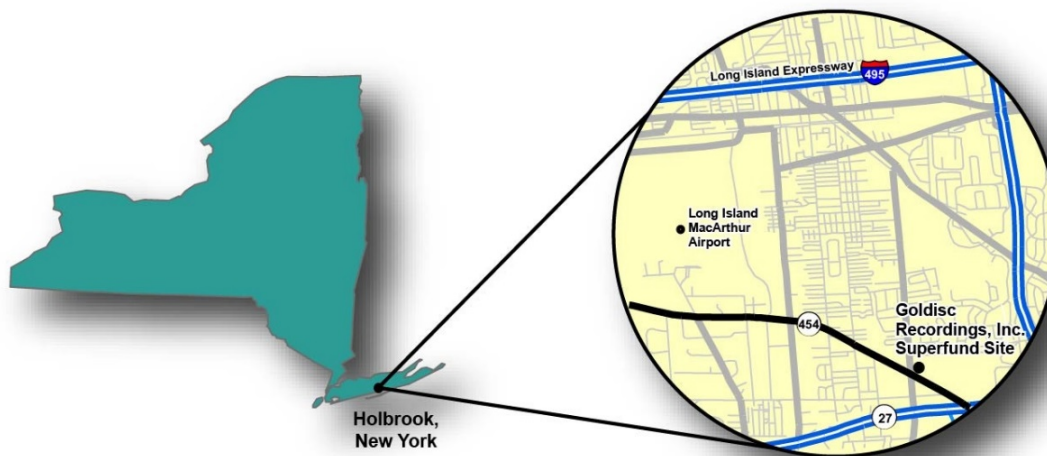


Figure 1. The site's location in Holbrook, Suffolk County, New York.

Introduction

When a Superfund site is restored for reuse or supports continued use, it can revitalize a local economy with jobs, new businesses, tax revenues and spending. This case study captures the beneficial effects of the continued use and redevelopment at the Goldisc Recordings, Inc. Superfund site.

The 34-acre area is located in central Long Island, in the Village of Holbrook, New York (Figure 1). The Village of Holbrook is part of the Town of Islip. Veterans Memorial Highway and Broadway Avenue border the site to the east and south. Surrounding land uses include residential, commercial and industrial uses as well as some forested areas to the north and east. The site spans three parcels and currently includes three buildings as well as paved and vacant areas. A municipal water supply well field, which provides drinking water for the Suffolk County Water Authority (SCWA), is located about 1,200 feet south of the site on Church Street. According to the U.S. Census, about 1.5 million people live in Suffolk County. About 27,000 people live in Holbrook.¹

Site History

Property ownership at the site changed several times between 1961 and the present. In 1961, Viewlex Audio Visual Company (Viewlex) began operating in a building on the western part of the site. Viewlex made audio visual and optical devices. Facility operations included machining, metal cleaning and plating, photograph development, assembly and board repair. Sometime between 1966 and 1969, property owner Holbrook Properties built a second, smaller building on the eastern part of the site. Viewlex operated out of the new building until early 1968, when Sonic Recording Products (owned by Viewlex) began operating there. Sonic Recording Products later changed its name to Goldisc Recordings (Goldisc). The business pressed and produced phonographic vinyl records at the eastern building. Activities included lacquering, silver painting and metal plating of the records. Holbrook Properties liquidated in 1973 and the property was deeded to a partnership of Holbrook Properties shareholders, referred to as “First Holbrook”. In 1977, Viewlex changed its name to ElectroSound Group (ElectroSound). In 1981, ElectroSound filed for bankruptcy. Goldisc went out of business in 1983. First Holbrook owned the site until 1985 when Red Ground Corporation, later known as Red Ground Company, purchased the property.

Between 1978 and 1990, Genco Auto Electric cleaned and rebuilt automotive engine parts in part of the western building. Operators used solvents to clean engine parts. During facility operations at both buildings, workers disposed of wastewater and liquid substances into dry wells, leaching pools and storm drains. The wastewater often contained contaminants from production processes, including waste oil, metals, degreasing agents and solutions containing volatile organic compounds (VOCs), such as xylene and trichloroethylene. Aboveground storage tanks containing nickel-plating wastes leaked directly onto the ground. Over time, contaminants spread into site soil and groundwater.

In late 1973, a Suffolk County Department of Health Services (SCDHS) inspection of the Goldisc facility found that its operations included dumping of about 100 gallons of waste oil on site each month. Between 1981 and 1983, the SCWA detected elevated levels of solvents and metals in on-site monitoring wells and one of the SCWA Church Street production wells. Because groundwater is the only public water supply in the area, the Authority temporarily shut down the production well. The Suffolk County Department of Health Services then discovered

¹ Census population estimates reflect the most recent available Census data. The Census website lists a 2014 population estimate for Suffolk County and a 2010 estimate for Holbrook.

chemical wastes and metals in on-site storm drains, aboveground tanks and dry wells. EPA added the site to the Superfund program's National Priorities List (NPL) in 1986.

Site Cleanup

After determining that site activities resulted in groundwater contamination, in 1988, the New York State Department of Environmental Conservation (NYSDEC) ordered ElectroSound and former property owner First Holbrook to investigate and determine the full extent of contamination. Investigations confirmed high levels of metals and VOCs in site soil and groundwater. In 1990, manufacturing operations stopped at the site. Other businesses, focused on dry goods, began operating at the site following the end of on-site manufacturing activities. EPA took over as the lead agency in 1990, and in 1991, First Holbrook and ElectroSound entered into an Administrative Order of Consent (AOC) with EPA to conduct additional investigations and feasibility studies.

In 1993, Suffolk County shut down a shallow public water supply well to prevent the potential spread of site contaminants to public water supplies. EPA selected a cleanup plan to address soil contamination in the site's 1995 Record of Decision (ROD). The goal of the soil cleanup was to remove the source of contamination, which would stop any further spread of contaminants into the groundwater.

In 1997, site PRPs agreed to conduct the cleanup and reimburse EPA for past and future costs. Soil cleanup included excavation and disposal of about 270 cubic yards of sediment and soil from dry wells, removing sediments and soils from a water production well, and filling in excavated areas with clean fill. Prior to the cleanup, EPA contacted on-site tenants to keep them up to date and address their questions and concerns. Due to the limited extent of soil contamination, and the small cleanup footprint, PRPs were able to complete the cleanup with minimal interruption of ongoing business operations. Following cleanup of the dry wells, which were located in an alley between the two on-site buildings, the PRPs installed new dry wells in the area. The cleanup removed the potential of exposure to soil contamination and the new dry wells improved drainage in the area. Site PRPs completed the soil cleanup in 1997.

To address contaminated groundwater, EPA issued a second ROD in 1998. The remedy involves monitoring the breakdown of groundwater contaminants through natural processes over time. SCDHS also requires that homes

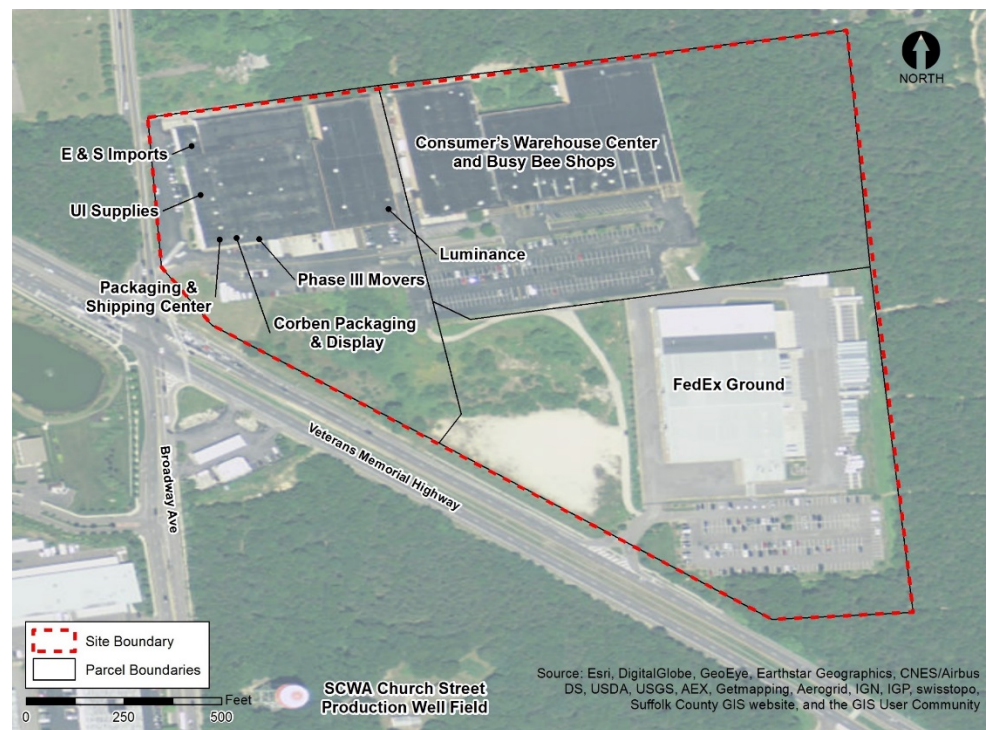


Figure 2. The Goldisc Recordings, Inc. Superfund site and on-site businesses.

and businesses use public water supplies. Any use of drinking water wells requires prior testing and approval. This countywide regulation prevents exposure to contaminated groundwater.

Site investigations identified nickel as the primary groundwater contaminant of concern. Monitoring results since the completion of soil cleanup indicate that nickel concentrations in groundwater have declined site wide, and only slightly exceed the cleanup goal at certain locations. EPA continues to monitor groundwater to ensure the continued protection of human health and the environment. As groundwater quality continues to improve at the site, property owner hopes of removing the site from the NPL become more of a possibility.

Continued Site Use and New Development

While site reuse was not a priority during the development of site cleanup plans, the successful and non-invasive cleanup enabled the continued operation of on-site businesses during cleanup. It also made the area more attractive for new development.

The closure of the original site businesses marked the end of manufacturing activities on site. While property ownership has changed several times, the owners continued to lease on-site buildings to commercial tenants during and following cleanup. Thanks partly to its location near the Sunrise Highway, Long Island Expressway and Long Island MacArthur Airport, the site attracted a wide variety of commercial tenants following cleanup. Other prominent site features include its size, proximity to new residential development, and on-site infrastructure, including parking and available building space.

Cleanup also attracted developers to the site. The site's southeastern corner was undeveloped and had not been contaminated. In particular, following cleanup, the area caught the attention of FedEx Ground. Located near major transportation routes and an airport, the large expanse of vacant land was an ideal location for the business's distribution warehouse facilities. In 2000, FedEx Ground built a new distribution warehouse on 7 acres of the vacant lot.

Beneficial Effects

Today, nine site businesses support over 500 jobs and contribute over \$28 million in annual employment income to the community. Together, new and long-time businesses at the site bolster the region's economy, provide



Figure 3. The Broad-Vet Centre at the intersection of Broadway Avenue and Veterans Memorial Highway in Holbrook, New York.

valuable services to the community, and help generate local and state sales and property tax revenues. The section below describes the specific beneficial effects of the businesses at the site.

FedEx Ground Package System, Inc.

This package distribution facility is located at 5901 Veterans Memorial Highway. The business contributes over \$10.8 million in estimated annual employment income to the community.

Broad-Vet Centre

The Broad-Vet Centre occupies the two original site buildings on Broadway Avenue. The Centre currently houses eight commercial and warehousing businesses. Following cleanup, businesses can safely operate in the buildings. The businesses that operate at the Broad-Vet Centre employ a total of about 300 people, contributing over \$17.2 million in estimated annual employment income to the community. Combined 2014 estimated sales for the Broad-Vet Centre businesses exceeded \$48 million. The section below describes Broad-Vet Centre businesses in more detail.

Consumer's Warehouse Center

The company's corporate headquarters, a distribution center and product showrooms operate at the former Goldisc building, located on the northeastern corner of the site. Showroom floors include displays for bedroom, office and living room furnishings. The Consumer's Warehouse Center also includes a showroom for kitchen and bath appliances, products and decor. The business provides over \$10.2 million in estimated annual employment income. Estimated sales in 2014 reached nearly \$26 million.

E&S Imports

This wholesaler of pet products, toys and gift items for pet owners provides over \$228,000 in estimated annual employment income. Estimated 2014 sales reached \$10 million.

Packaging & Shipping Center, Inc.

This packing and crating business contributes over \$2.6 million in estimated annual employment income to the community. Estimated 2014 sales reached \$7.2 million.



Figure 4. The FedEx Ground distribution facility.



Figure 5. The kitchen and bath showroom at The Consumer's Warehouse Center.



Figure 6. Additional Consumer's Warehouse Center showrooms.

UI Supplies, Inc.

This worldwide supplier and distributor of specialty printer toners and cartridge parts provides over \$2.1 million in estimated annual employment income. Estimated 2014 sales reached \$3.7 million.

Corben Packaging & Display

This full-service dry goods packaging and distribution company provides over \$91,000 in estimated annual employment income. Estimated 2014 sales reached \$210,000.

Phase III Movers, Inc.

This residential and commercial moving company contributes about \$208,000 in estimated annual employment income to the community. Estimated 2014 sales reached \$480,000.

Busy B Shops, LLC

This data processing company provides over \$1.6 million in estimated annual employment income.

Luminance

This distributor and provider of LED light bulbs for industrial and residential uses provides nearly \$40,000 in estimated annual employment income.

Property Values and Tax Revenues

On-site properties help generate property tax revenues that support local government and public services. During the 2013-2014 fiscal year, the two properties occupied by the Broad-Vet Centre generated over \$427,000 in property taxes for the Town of Islip. The Town of Islip owns the tax-exempt property currently occupied by FedEx. In 2015, the three site property parcels had a total estimated property value of nearly \$3.2 million. On-site businesses that produce retail sales and services also generate tax revenues through the collection of sales taxes, which support state and local governments.²



Figure 7. UI Supplies' storefront.



Figure 8. Moving trailer parked near the Phase III Movers, Inc. business office.



Figure 9. Luminance facility.

² The combined sales tax rate in Suffolk County is 8.63 percent. This combined rate includes sales tax rates for the state, county and city. For more information, see the page at Suffolk County Comptroller's Office website: <http://suffolkcountyny.gov/comptroller/DidYouKnow.aspx>.



Future Site Use

Part of the site remains vacant; it could serve as a prime location for new businesses in the future. Looking forward, EPA will continue to work with stakeholders to support protective reuses and continued uses, and ensure the long-term stewardship of the remedy.

Conclusion

Collaboration and cooperation among EPA, site PRPs and property owners has been key to the successful cleanup, reuse and continued use of the Goldisc Recordings, Inc. Superfund site. Cleanup was compatible with the continued operation of site businesses and the creation of a new FedEx Ground facility while also protecting public health and the environment. Today, on-site businesses support the local economy, providing over 500 jobs, over \$28 million in estimated annual employee income and over \$50 million in estimated annual business sales revenue.

*For more information about EPA's Superfund Redevelopment Initiative (SRI), visit:
<http://www.epa.gov/superfund-redevelopment-initiative>.*



www.epa.gov

Reuse and the Benefit to Community Goldisc Recordings, Inc. Superfund Site

Technical Appendix

Employment Information for On-site Jobs

Information on the number of employees and sales volume for on-site businesses came 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 225 million active and inactive businesses worldwide. Database data include public records, financials, private company insights, extensive global information, telephone numbers and physical addresses. The Data Universal Numbering System (DUNS) number is a unique nine-digit identification number assigned by D&B to each business and its location within the database for identifying each business. When Hoovers/D&B database research could not identify employment and sales volume for on-site businesses, EPA used the [Manta](#) database. Both databases include data reported by businesses. Accordingly, some reported values might be underestimates or overestimates. In some instances, business and employment information came from business representatives. While sales values typically exceed estimated totals of annual income, sales can sometimes be lower than estimated income. This could be attributed to a number of business conditions and/or data reporting. Data included in this Technical Appendix are obtained directly from reputable sources, and reported as presented by those sources.

Wage and Income Information for On-site Jobs

EPA obtained wage and income information from the U.S. Bureau of Labor Statistics (BLS). Part of the U.S. Department of Labor, the BLS is the principal federal agency responsible for measuring labor market activity, working conditions and price changes in the economy. Its mission is to collect, analyze and disseminate essential economic information to support public and private decision-making. All BLS data meets high standards of accuracy, statistical quality and impartiality.

EPA used the BLS Quarterly Census of Employment and Wages database to obtain average weekly wage data for the businesses located at the Goldisc Recordings, 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 weekly wage data were not available at the county level, EPA sought wage data by state or national level, respectively.

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

Table 1. Goldisc Recordings, Inc. Superfund Site: Information for On-Site Organizations and Businesses

On-site Business	NAICS Code ^a	NAICS Title	Number of Employees ^b	Average Weekly Wage (2014) ^c	Annual Wage (Mean Annual) per Employee	Total Annual Income ^d	Annual Sales (2014) ^b
Busy B Shops, LLC	518210	Data Processing, Hosting, and Related Services	10	\$3,157	\$164,164	\$1,641,640	\$500,000 ^e
Consumers Warehouse Center Inc.	443141	Household Appliance Stores	180	\$1,097	\$57,044	\$10,267,920	\$25,900,000
Corben Packaging & Display, Inc.	424990	Other Miscellaneous Nondurable Goods Merchant Wholesalers	2	\$879	\$45,708	\$91,416	\$210,000
E & S Imports, Inc.	424990	Other Miscellaneous Nondurable Goods Merchant Wholesalers	5 ^f	\$879	\$45,708	\$228,540	\$10,000,000 ^f
FedEx Ground Package System, Inc.	484121	General Freight Trucking, Long-Distance, Truckload	200 ^g	\$1,041	\$54,132	\$10,826,400	\$2,500,000 ^{e,f}
Luminance	561499	All Other Business Support Services	1	\$765	\$39,780	\$39,780	\$46,000
Packaging & Shipping Center, Inc.	488991	Packing and Crating	65	\$783	\$40,716	\$2,646,540	\$7,200,000
Phase III Movers Inc.	484210	Used Household and Office Goods Moving	5	\$800	\$41,600	\$208,000	\$480,000
UI Supplies, Inc.	424120	Stationery and Office Supplies Merchant Wholesalers	35	\$1,168	\$60,736	\$2,125,760	\$3,700,000
Total			503			\$28,075,996	\$50,536,000

^a NAICS code provided in the D&B database.

^b Data are from the D&B database, unless otherwise noted.

^c Average weekly wage per employee based on BLS 2014 Average Weekly Wage data.

^d Total annual income figures derived by multiplying “Number of Employees” by “Annual Wage (Mean Annual) per Employee.”

^e While sales values typically exceed estimated totals of annual employee income, annual reported sales can sometimes be lower than estimated annual income. This atypical condition of estimated income exceeding sales can be a result of business conditions, estimated business wages not accurately reflecting actual wages for the site-specific business, annual sales being under-reported, a business loss for the year, or a combination of those factors.

^f Value provided by Manta.

⁸ Value provided by FedEx Ground Manager John Montelyone during a phone interview on 8/17/2015.

Property Values and Local Tax Revenue Generated from Property Taxes

EPA obtained data on the most recently assessed values for property parcels at the Goldisc Recordings, Inc. Superfund site in May 2015 through property records accessible through Town of Islip's online property appraisal database (<http://www.townofislip-ny.gov/departments/assessor/assessment-roll>). EPA also obtained 2013-2014 property tax information for the site parcels.

Table 2. Property Value and Tax Summary

Parcel ID No.	Parcel Address	Total Market Value of Land and Improvements (2015)	Total Property Tax (2013-2014) ^a
0500217000200008001	725 Broadway Avenue, Holbrook, NY 11741	\$856,600	\$177,059
0500217000200008002	717 Broadway Avenue, Holbrook, NY 11741	\$1,212,500	\$250,624
0500217000200008003	5901 Veterans Memorial Highway, Holbrook, NY 11741	\$1,103,000	Exempt
		\$3,172,100	\$427,683

^a The Town of Islip Receiver of Taxes Office provided property tax data from 2013-2014 during a phone interview on 6/29/2015.