Marcellus Shale Gas Development & Brownfields Revitalization

A Balanced Opportunity

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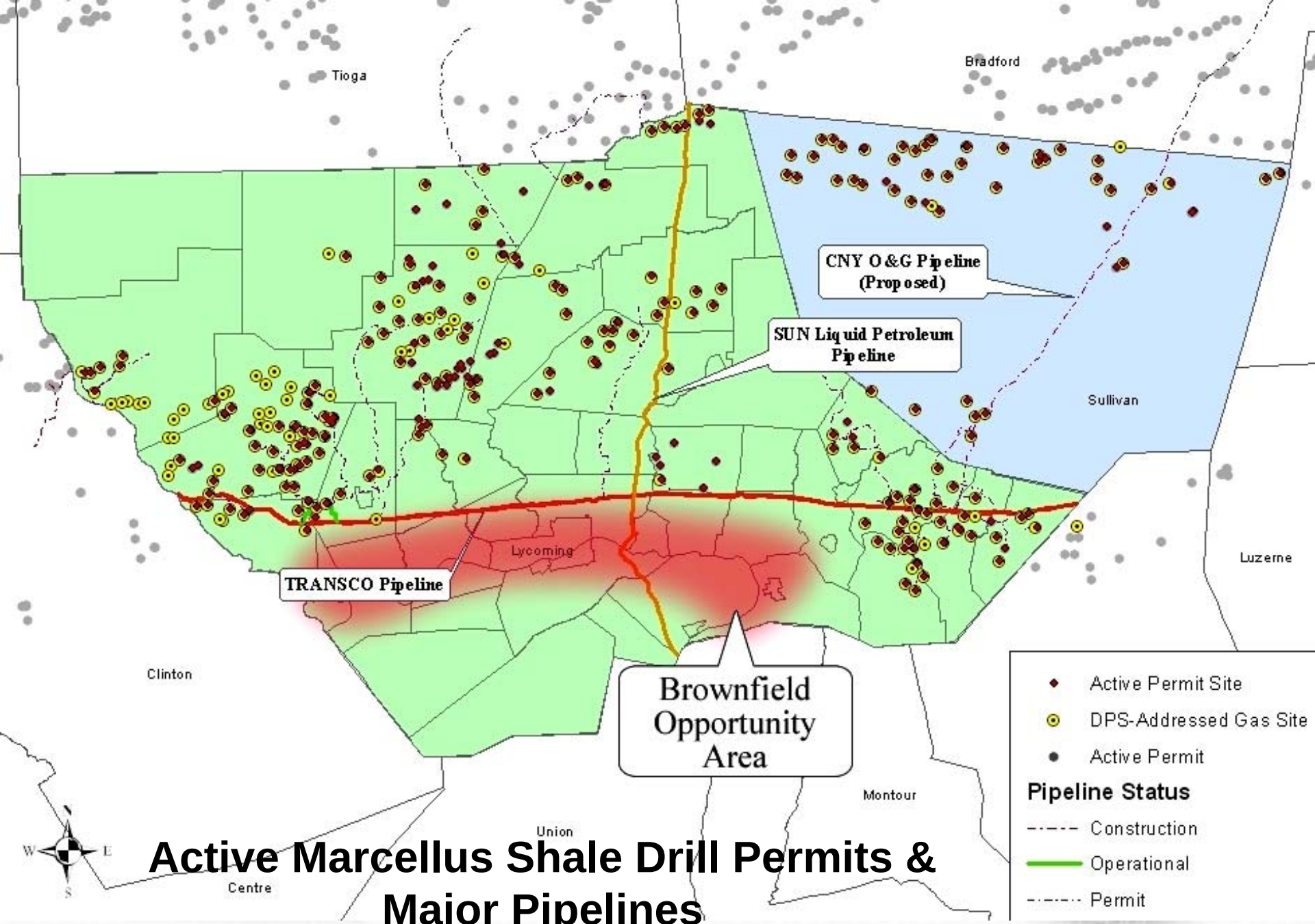
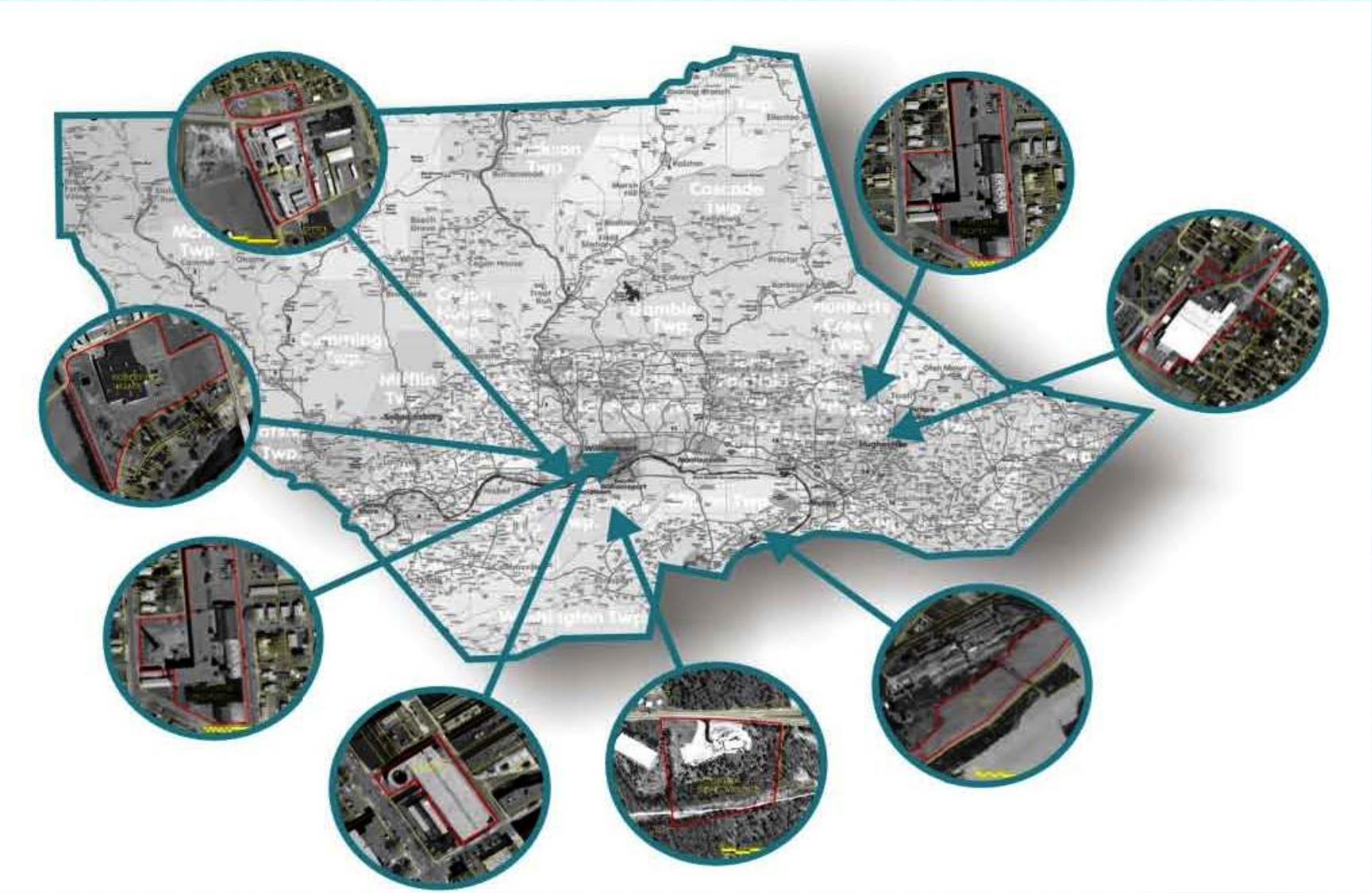


Active Marcellus Shale Drill Permits & Major Pipelines

Brownfields—Targeted Growth



Why Brownfields?

- Current zoning is generally consistent with intended use
- Public infrastructure is in-place or upgrades are more affordable
- Brownfields ALL located in designated growth areas
- Reinvigorates the Community
- Start up time for new companies substantially reduced

Balance the Playing Field

<u>GOAL</u>: Compete with Greenfield sites

<u>STEPS</u>:

1. **Identify potential BF Sites so Marcellus Gas business can quickly see what's available**
2. **Reach out to current BF owners**
3. **Conduct necessary environmental due diligence early**

Setting the Stage

- US EPA Assessment Grant—2007
- PA DEP Grant—2009
- US EPA Targeted Brownfield Grant—2010
- Results
  - Over 80 sites identified
  - 20 Phase I ESAs Performed
  - Phase II ESA for Future Residential Project
  - Phase II ESA for Municipal Facility

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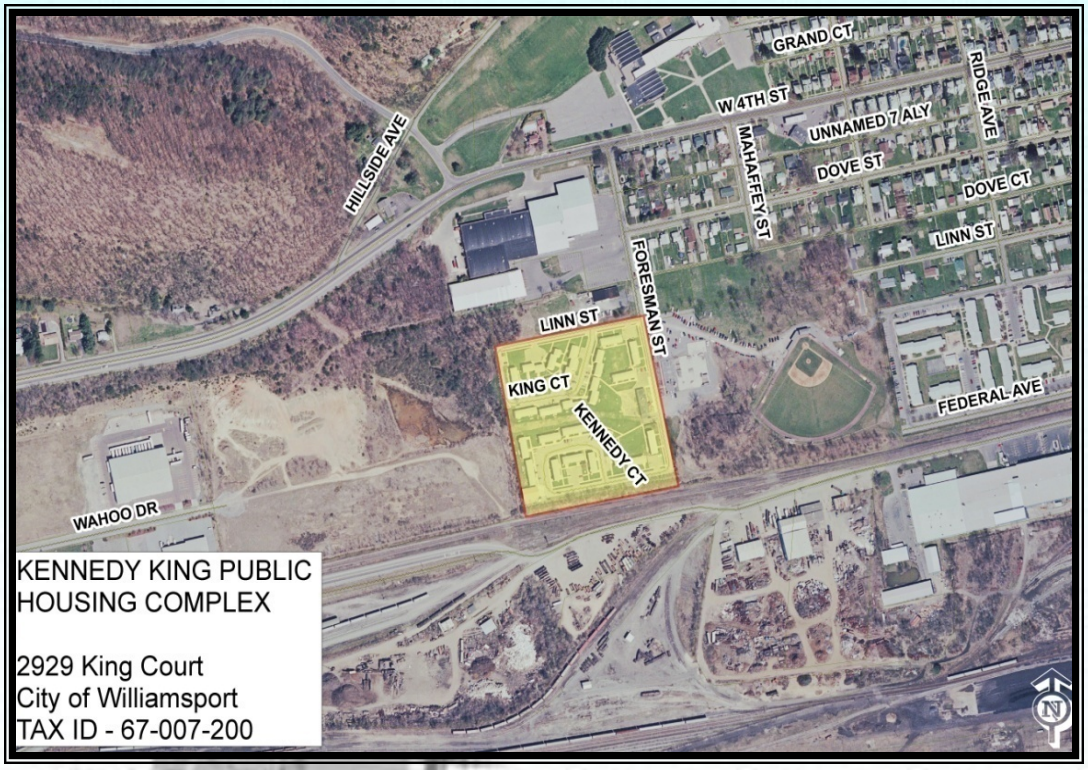
Why Here – Why Now?

- **Rapid expansion of Marcellus Shale development presents a new opportunity to redevelop Brownfield sites.**

- **<u>Demand for Brownfield sites</u> near major highways or rail roads is at an <u>unprecedented high</u>.**

A Brownfields Industrial Success



- Owner--City of Williamsport
- 9.91 acres rezoned -- residential to industrial
- Phase I completed by Lycoming County
- Key Positives: Adjacent to Industrial Park, potential rail access

Brownfields Transformation

<u>Kennedy King</u> – former public housing complex—blighted and vacant

<u>MiSwaco Corporation</u> — natural gas products--$50M invested

Brownfields Transformation

Abandoned Building in Montgomery Borough

Two New Marcellus Shale Gas Companies at the Same Site

Brownfields Transformation

<u>Brodart Building</u> – Efforts are underway to provide affordable and market rate housing for citizens that now feel the impact of the law of supply and demand.

Brodart Warehouse

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1609 Memorial Ave., Williamsport, PA 17701

City of Williamsport | Lycoming County

PROPERTY

Redevelopment of this 3 acre site has strong support from the City of Williamsport, County of Lycoming and DEP as well as a very proactive owner. Site is located in the heart of the Marcellus Shale Natural Gas play. There is potential to partner with a non-profit to integrate moderately-priced, single family homes with the final redevelopment plan. The site contains a half-acre parking lot and 2.5 acres which is almost entirely under roof. Phase II ESA indicates that residential/ mixed use land use is appropriate.

SITE LOCATION & CHARACTERISTICS

Property Description
Industrial Land & 1-4 story, 211,000 square foot building in poor to moderate condition

Minimum Acreage Available
3 acres

Maximum Acreage Available
3 acres

Divisible
Yes

Lease or Sale
This property is for sale

Owner
Brodart Company

Zoning
Industrial

Transportation
0.5 miles to US Route 15
1 mile to Interstate 180
5 miles to major commercial airport
No rail access

SITE CONTACT INFORMATION

Rick Dill, Brodart Co.
500 Arch St.
Williamsport, PA 17701
Phone: 800-233-8467 ext. 6470
Fax: 570-651-1614
E-mail: Rick.Dill@Brodart.com
Website: www.brodart.com

UTILITIES

Water
Wiliamsport Municipal Water Authority

Sewer
Williamsport Sanitary Authority

Gas
UGI

Power
PPL

Telecommunications
Level 3

Incentives
Strong owner interest—selling $1 "as is," in the heart of Marcellus Shale Natural Gas play; strong municipal commitment to supporting redevelopment; potential public funding available for demolition and partnering with non-profit.

Pennsylvania Brownfields
Experience. Opportunity. Innovation.

Brownfields—Economic Dev Benefits

- Responds rapidly and economically to gas industry demand for land
- Increases jobs
- Increase tax revenues

MS Business in the Brownfields

- Sand Depot
- Gravel yard/Quarry
- Pipe coatings and threading
- Railroad depots & yards
- Mud Plants
- Frac Water Recycling Plant
- Trucking-Water Delivery

- Engineering Firms
- Specialized Lawyers
- Security Companies
- E&S Control Companies
- Seismic Testing
- Surveyors
- Water Quality Testing Firms
- Air Quality Test Firms
- Gas Field Service Companies
- Hotels
- Housing
- Restaurants

Sustaining the Momentum

- Estimates for Marcellus Shale Gas Development range from 25-40 years
- Utica Shale development on Horizon
- Secondary Industries
  - Gas Powered Generating Plants
  - CNG Vehicle Operations
- Think Ahead & Get Ready

Final Thoughts

<u>Goal</u>: Revitalize some of our "harder" Brownfields AND minimize likelihood of having even more BF's in 20 years

<u>Action</u>: It's in the public's interest to take the approach we're taking –seek partnerships – be "proactive"