

Application Summary

1. Goal of the Brownfield Project.

a. Economic Benefit:

i. Known End User

The goal of the City is to facilitate site cleanup of the now vacant Former True Temper Property so that the adjacent manufacturing company, Arthur Louis Steel Corporation (ALS), can expand their business by doubling their manufacturing operation footprint and creating approximately 10 additional jobs and retaining 12 at that location.

ALS (NAICS Code 332312) has been in the metal fabrication business for over 60 years and employs a total of 57 employees. ALS provides design-build structural steel construction packages to national and international retail, utility and manufacturing markets.

The Company has three locations, with their headquarters based in the City of Ashtabula and a fabrication facility in Geneva and a sales office in North Canton. ALS has expanded at their headquarters to the point that they are unable to grow further due to being landlocked. Therefore, ALS is pursuing the purchase of the adjacent Former True Temper Property to allow them to double the size of their 24,000 sq. ft. Geneva fabrication facility. The existing Geneva location will retain 12 employees whose average annual salary is \$63,732; their yearly payroll which includes benefits is \$764,789. The company proposes to expand its staff by 10 additional members which brings the proposed total staff payroll and benefits to \$1.4 million. The City of Geneva's income tax is 1.5% which prior to the project would bring in \$7,520 annually. After the expansion and upon fully hiring the needed staff, the income taxes will increase to \$13,786.

The total project costs are \$1,868,400; broken down it is \$388,455 for site clean-up activities, \$210,000 in acquisition of the property, construction of the addition is estimated at \$1.2 million and soft cost associated with permits and engineering is \$8,400. Real estate taxes on the combined properties presently are \$2,162.34 annually, after total build out of the expansion they could increase to \$17,582.

b. Community Benefit:

The Former True Temper property occupies almost 13 acres in the heart of the City of Geneva's targeted redevelopment area (downtown and northern industrial). The Property is surrounded by a substantial amount of industrial space that has been left behind by industry for the City of Geneva to address. Clean up and redevelopment of the Former True Temper Property would provide a catalyst for Brownfield redevelopment in that key area of the City.

The underutilization of these facilities has idled significant amounts of industrial square footage and large amounts of acreage that continues to be disruptive to the redevelopment efforts of the community. By pursuing these grant funds, the City of Geneva is following through on its comprehensive plan recommendations which were developed through a consensus driven community visioning process. The stakeholders supported finding opportunities to redevelop these abandoned manufacturing sites, our out of code older structures, and urban blighted areas. Geneva has endorsed the philosophy of Smart Growth Principles and has incorporated them into this plan. The Administration has put in place a variety of incentives and partnerships to attract businesses. But even with these tools in place it is still very difficult to attract business to blighted, impacted properties. Having a result driven brownfield program that can show that it does have follow-through, will encourage businesses to take a chance and invest in properties that would otherwise remain underutilized. Completing the cleanup activities will have a positive effect on resident's health; it will reduce the negative stigma attached to the property based on the historical impacts on the property. The cleanup will have a positive influence on surrounding property values, and it will positively expand the City's tax base as well as create new job opportunities. With a local, state and national economy that is suffering, the City is seeking every way possible to be resilient.

c. Other Funding Sources

ALS has signed a purchase agreement with Advance Technology Corporation to acquire the two parcels 20-019-00-036-01, 20-019-00-036-00 for \$210,000. This acquisition will be utilized as the match component of the project. An option to purchase is included in this application and was executed with a \$5,000 check on Tuesday January 17, 2012.

2. History of the Project Property

The Geneva Tool Co. which began by manufacturing farm implements, was eventually purchased by True Temper, later named Eliskim. The site has been used for a variety of purposes, dating to 1885. Prior to 1950, the site was used primarily for manufacturing, including the production of tools, fishing rods and golf clubs. From 1950 to 1980, the True Temper Corporation used the site and manufactured tools and sporting equipment, which included metal plating of the tools and equipment. The True Temper plant closed in 1980, after which water from at least one of the lagoons and sludge from the chromium/nickel plating operations were removed. After closure of the True Temper Sports Site, a capacitor-recycling company operated on site. It is believed that the former waste oil disposal area was used for capacitor oil disposal, which may have resulted in contamination of soils with polychlorinated biphenyls (PCB). The site was formally contaminated with chromium, nickel, lead, copper, zinc, inorganic chemicals (including cyanide), petroleum hydrocarbons (including toluene, xylene, and phenanthrene), volatile organic chemicals (including trichloroethene) and PCBs. In the 1990s and early 2000s, the USEPA conducted environmental assessments and cleanup of lagoon and waste disposal areas. In 2007, the USEPA issued a closeout memorandum that the cleanup efforts had been successfully met. A 2011 VAP Phase II Property Assessment, funded by an Ohio

Department of Development (ODOD) Clean Ohio Assistance Fund (COAF) grant, was conducted to confirm that the property was cleaned up to VAP standards.

Arthur Louis Steel has expressed for over 8 years their desire to acquire the property that is the subject of this application. What has stood in the way has been the monumental cost associated with the evaluation and clean up that has complicated the value for the property.

Recognizing our role in redeveloping this property the City of Geneva in August 2008 applied and successfully received an Ohio EPA Technical Brownfield Assistance grant for a Voluntary Action Program (VAP) Phase I Property Assessment for the property. This was the City's first attempt at applying for Brownfield grant funds. The study indicated the need for a phase II, and therefore the City applied and received a Clean Ohio Assistance Fund grant to conduct a VAP Phase II Property Assessment, which was recently completed. We have been working long and hard at achieving the final goal of cleaning and redeveloping this site and find ourselves hopeful that our application is looked upon favorably.

3. Environmental Improvements and Benefits.

a. Cleanup Benefits

Four areas of the Property will have a total of approximately 3,500 tons of contaminated soil excavated, transported and disposed at a landfill in order for the Property to meet Ohio EPA's Voluntary Action Program (VAP) property-specific standards. By removing contaminated soil in these areas, the threat to human health and environmental has been eliminated for the commercial/industrial worker and construction/excavation worker when present on the manufacturing areas of the Property. This will allow the current manufacturing activities, and the plans for the future expanded manufacturing operations to operate unencumbered by environmental constraints.

b. Sustainability

During excavation and transportation of the contaminated soils, care will be taken to use the smallest practical excavator to cost effectively complete the project. Using smaller equipment will save on fuel costs, create smaller impacts to the existing site surfaces, including minimizing dust suppression requirements. In addition, truck loads will be maximized to reduce the amount of truck traffic to the Property, and help reduce transportation costs and emissions to the atmosphere. Excavation areas will be graded to minimize storm water runoff during the remediation activities.

ALS will be incorporating storm water retention infrastructure on the project site per the City of Geneva ordinance 1276.07 section (f) which states, adequate drainage for the disposition of storm and natural waters, both on and off-site shall be provided. The extent of both on-site and off-site treatment shall be based on watershed master drainage plans or the approval of the City Engineer. For this Zoning district and size of building expansion a retention pond will be recommended. This action is incorporated into the developing

partner's master site plan and will take place when the construction of the expansion is underway.

4. Project's Readiness to Proceed if Funded

The structure of the purchase agreement along with the businesses need for expansion is the driving force for moving the project promptly. The City of Geneva is prepared to move swiftly with the advertising and the selection of contractors to progress through the completion of cleanup activities. ALS will acquire the project property during or upon completion of cleanup activities. We know the clean-up activities won't be a lengthy process and can anticipate the 24,000 sq. ft. expansion to commence within 36-48 months of cleanup. This business has expressed to the City of Geneva that if they are unable to expand at this site that they would need to find an alternative location, and have entertained the thought of establishing operations in South Carolina. It is critical to get this funding in order to save jobs, create new jobs, and clean up the property.

Financial Requirements for Project

	<u>Private</u>	<u>Grant</u>
Cleanup cost		\$388,445
Acquisition	\$180,000	\$30,000
Construction	\$1,200,000	
Soft Costs	\$8,400.	
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