

### **History and Current Status of the Project Property**

The Former Stewart Brothers Paint Company and Former Volcanic Heater Company properties, located at 1010 North Union Avenue and 201 Hartzell Street, Alliance, Stark County, Ohio 44601 (Subject Property) consist of approximately 6.537 acres. Based on historical research, the southern portion of the Subject Property (1010 North Union Avenue) was occupied by Stewart Brothers Paint Company from 1926 until closing in March 2006. Stewart Brothers Paint Company manufactured finished paint through the use of resins, pigments, additives, and solvents. Raw materials were mixed per each paint recipe. The raw materials were placed into the six (6) mills and the milled materials were dropped into portable mixing tanks. Mills were cleaned by running the solvent in the paint recipe through the mill and used as part of the paint. Additives were used for the materials in the portable tanks. Batch sizes ranged from 104-gallons to 500-gallons and after they passed QA/QC they were placed in 1-gallon to 55-gallon containers for shipment.

The northern portion of the Subject Property (201 Hartzell Street) was occupied by Volcanic Heater, Inc. and Alliance Brass and Bronze Company, a department of Volcanic Specialties, Inc. from approximately 1916 through 2007. Volcanic Heater built large thermal heaters for use in refinery tanks and barges. Alliance Brass and Bronze Company was a manufacturer of brass, bronze, aluminum, acid metal, high tensile and high conductivity alloys. Lastly, residences were located on the Subject Property along North Union Avenue since at least 1930 through approximately 1963.

A 29,735 sq ft building is present on the southern portion of the Subject Property historically occupied by Stewart Brothers Paint Company. Construction phases of this building range from 1926 through 1971. The building is currently in advanced stages of disrepair and water damage is extensive. Two (2) outbuildings (warehouses) constructed in 1970 are located to the northwest and northeast of the main building and are 1,024 sq ft and 2,400 sq ft respectively. The central portion of the building is 2-stories in height and a basement is located underneath the southeastern portion of the structure. The entire property is situated within chain linked fencing and ingress/egress is located along North Union Avenue to the east and the railroad tracks to the west. A 17,700 sq ft building is present on the northern portion of the Subject Property historically occupied by Volcanic Heater/Alliance Brass and Bronze Company. Construction phases of this building range from 1910 through 1981. All site buildings are vacant and there are no active site operations.

In December 2011, a Phase I Environmental Assessment (ESA) identified fifteen (15) Identified Areas/Recognized Environmental Conditions throughout the Subject Property. Pursuant to VAP protocol, a Phase II ESA was conducted to evaluate the presence and extent of chemicals of concern (COCs) including Volatile Organic Compounds (VOCs), Polycyclic Aromatic Hydrocarbons (PAHs), Total Petroleum Hydrocarbons (TPH), Priority Pollutant Metals (PP Metals), Polychlorinated Biphenyls (PCBs), and Semi-Volatile Organic Compounds (SVOCs) in the subsurface soils, groundwater, and/or surface water, and sediments in the identified areas of concern. A total of 152 soil samples were obtained from sixty five (65) soil borings and three (3) test pits installed in the Identified Areas at the Subject Property during the August 2012 through November 2012 subsurface investigations. Laboratory analysis of soil samples identified COCs including PP Metals (lead, arsenic), VOCs (1,2,4-Trimethylbenzene, Ethylbenzene, Xylenes), and

PAHs (Naphthalene) in concentrations above applicable standards in eight (8) of the Identified Areas of concern. In addition, groundwater samples were taken from nineteen (19) monitoring wells located throughout the Identified Areas in October 2012, December 2012, and April 2013. Analytical results indicated concentrations of VOCs (1,2,4-Trimethylbenzene, 1,3,5-Trimethylbenzene, Benzene, Ethylbenzene, Naphthalene, Trichloroethene, Vinyl Chloride, Xylenes) above applicable standards in three (3) of the monitoring wells located in two (2) of the Identified Areas. Analytical results of surface water samples, sediment samples, and soil gas samples taken during Phase II activities indicated concentrations below applicable standards. Based upon results of soil and groundwater samples taken during the Phase II assessment, it was determined that remedial activities will be necessary prior to the redevelopment of the property.

The Subject Property consists of two (2) former businesses. Stewart Brothers Paint Co. owns parcels #109377 (1 acre), #109376 (0.59 acres), and #112077 (2.22 acres) totaling 3.81 acres. Volcanic Heater, Inc. owns parcels #113617 (2.69 acres) and #104581 (0.037 acres) totaling 2.727 acres. The total acreage of the Subject Property is 6.537 acres. Currently, there are no formal business activities being conducted on the Subject Property but buildings associated with historical operations are present and contain equipment and supplies used in the former operations. Railroad lines border the Subject Property to the west.

The Stewart Brother's Paint Company currently owes approximately \$48,260.72 in back taxes to Stark County (as of February 15, 2014). The company is currently in bankruptcy and the property is controlled by RBJ, Inc. – Trustee Michael Demczyk, Trustee in Bankruptcy. A donation agreement is in place and the property will be transferred to the Greater Alliance Development Corporation (GADC), which is expected to happen in early 2014.

Current uses of adjoining properties include: residences to the north on Kelly Avenue and North Union Avenue, Clem Warehouse (1250 Asbestos Drive) to the northwest, Alliance Supply Company (1092 North Union Avenue) to the northeast, Harding Heating and Cooling (1094 North Union Avenue) to the northeast, Alliance Equipment Company, Inc. (1000 North Union Avenue) to the south followed by residences, Alliance Computer Exchange (67 West Vine Street) to the west across railroad tracks, Suburban Auto and Signs (1050 North Union Avenue) to the east, and residences to the east across North Union Avenue.

Historical commercial/industrial properties to the north since 1950 have included a stamping plant, warehousing, a tire service shop, a bakery, a rubber company, a church, and a heating and cooling company. Historical commercial/industrial properties to the south since 1925 have included an electric stove manufacturer, an electric neon manufacturing company, a hand garden tools manufacturer, metal fabricating, and a fiberglass manufacturer. Railroad tracks are present along the western property boundary. Historical commercial/industrial properties to the west since 1925 have included a motor freight terminal, an auto sales and service company, a waste paper and metal scrap company, and a computer exchange warehouse. Historical commercial/industrial properties to the east along and across North Union Avenue since 1965 include a cabinet shop, a car wash, a used car lot, and a body shop. Properties not discussed were solely residential.

According to U.S. Census Tract Data, the property is located in an area of where poverty is at 32.4%, compared to 26.0% for the City of Alliance and 15.4% for all of Ohio, in addition to

having an unemployment rate of 11.1%, almost twice the national average. The City of Alliance is identified as Distressed/Situational Distressed by Ohio Development Services Agency in July – December 2013 reports. The vacant status and environmental stigma associated with the former Stewart Brothers Paint/Volcanic Heater property is deteriorating to the community; serving as an eyesore and as a source of lost income taxes in addition to the cost of municipal services to upkeep the properties.

There are currently no known potential impediments to the project. Upon approval of funds, the property is ready to proceed with the remediation.

**Goals and Anticipated Outcomes of the project:**

The planned redevelopment for the property includes the demolition of current onsite structures and the construction of an approximately 100,000 square foot manufacturing facility with office space and warehouse. Prior to demolition activities, all regulated wastes will be removed from the buildings, including hundreds of paint cans, 5-gallon buckets, 55-gallon drums, and additional containers containing products remaining from Stewart Brother's operations, as well as universal wastes such as mercury switches, fluorescent light bulbs, and batteries. Due to the age of the structures, asbestos abatements will also need to be performed on the buildings prior to the commencement demolition activities. A soil remediation will be performed to include the excavation, transportation, and disposal of approximately 800 tons of lead and petroleum contaminated soils. A groundwater remediation will also be executed, which is expected to include direct injection of surfactants into excavations to speed up the remediation. Infrastructure updates to the sewer, electric, water, and gas will be provided by the development partner and projected end-user, JD Abrasives.

Funding sources thus far have included the GADC, who funded the VAP Phase I ESA, and the Clean Ohio Assistance Fund, who funded the VAP Phase II ESA. The GADC has acquired the Volcanic property through donation and is working with the Stewart Brothers Trust to acquire the property through donation. For remaining remediation and redevelopment activities, the project has been pre-approved \$603,000.00 in COAF grant funds to fund the demolition, interior remediation, exterior soil and groundwater remediation, and VAP Certified Professional Project Management to the property. Match dollars will be achieved through the donation of the property to the GADC and through the proposed \$1,900,000 in investments provided by JD Abrasives, a portion of which will be infrastructure upgrades to account for the required match.

This Subject Property is VAP eligible and currently ready to proceed with the remediation upon approval of funds.

**Redevelopment Goals**

The GADC has acquired the former Volcanic property through donation and is working with the Stewart Brothers trust to acquire the property, also through donation. A signed donation agreement has been executed. At the completion of the remediation activities, the property titles would transfer from the GADC to the anticipated end user, JD Abrasives, a manufacturer of abrasives, belts, and disks. JD Abrasives anticipates construction of a new manufacturing facility with associated office and warehouse space. The building will be used to start a new division of their business which will collaborate with their existing location. The property is of strategic advantage due to the close proximity to the end user's other business, as well as the

large land area available for redevelopment. Furthermore, the site is easily accessible, located one half mile from State Route 62, a major highway, adjacent to the Norfolk Southern Railroad, 20 miles from the Akron Canton Airport and 35 miles to the northwest of the Ohio River. The site is also accessible via pedestrian sidewalks and public transportation provided by the Stark Area Regional Transit Authority.

The projected in the property investment is \$1.9 million, which includes land, building, and equipment. Total costs for the demolition, interior remediation, soil remediation, project management are estimated to be \$603,000. Once developed, it is expected that at least 23 full time jobs will be created at the project location within the first three years of operation, with several additional temporary construction/trade jobs added during construction and redevelopment. The created payroll for all new jobs is estimated to be \$634,000.00, exclusive of benefits.

Construction on the proposed redevelopment is expected to begin in early summer 2015, and the building is expected to be ready for occupancy by January 2016. The remediation and subsequent No Further Action (NFA) will remove the regulatory and environmental stigma from the site and enable the redevelopment of this property into a mixed use office/manufacturing/retail space, creating jobs that generate tax revenue for the City and County.

The application is available for review at the Rodman Public Library, located at 215 East Broadway Street, Alliance, Ohio 44601, until April 23, 1014. A public meeting to discuss and solicit comments to the grant application will be held on April 23, 2014 at 5:00 in the Rodman Public Library Auditorium.