

**Attachment 1**  
**APPLICATION SUMMARY**

**Introduction**

The BSL Holdings Property (Property) encompasses 11.5231 acres and is improved with two (2) buildings which encompass approximately 35,000 square feet of mostly vacant industrial space, several concrete foundation remnants, gravel drives, an asphalt paved parking lot, and vacant fields.

The shared redevelopment goal of the City of Sandusky (Applicant) and BSL Holdings Ltd. (BSL/Development Partner) for the Property is to bring back to life a vacant, underutilized industrial property that has been part of the City of Sandusky's economic history since the 1920s. Redeveloping the Property for new commercial and/or industrial businesses would retain and bring jobs to the area, in turn creating a long term source of tax revenues and economic growth, as well as minimizing and/or eliminating environmental exposures to nearby residents. The first step in redeveloping the Property is to determine if cleanup/remediation of the Property is necessary. State funds are needed to facilitate the Phase II Property Assessment and develop a plan for cleanup of the Property. Having a large "clean" commercial/industrial property set back off the waterfront to market within the City would open up the possibilities for various uses and make it easier to attract high-end tenants.

Since the mid 1970s, the Property has undergone a change from manufacturing to very limited light manufacturing and warehousing resulting in a loss of jobs, decrease in property and income taxes, and a significant drop in the property value. BSL and the City recognize this as a prime redevelopment opportunity based on the location and size of the Property.

The Property is located just east of the City's center just south of Sandusky Bay and is accessible by multiple major roadways. U.S. Route 250 and State Routes 6 and 4 are located between 0.65 and 1.25 miles from the site. In addition, State Route 2 and Interstate 80/90 (Ohio Turnpike) are located approximately 3.5 and 9.5 miles south of the Property, respectively. The Property is located within two (2) miles of three (3) of the County's largest employers including Cedar Point/Cedar Fair, Firelands Regional Medical Center and Sandusky City Schools.

**History of the Project Property**

Historical records indicate that the Property was initially developed as The Diamond Fertilizer Company in 1920. Fertilizer manufacturing operations on the Property consisted of a Sulfuric Acid Plant and associated Sulfur Bin and water cooling tower, a series of sulfuric acid, fertilizer, and ammonia ASTs, maintenance shops, a tool house, a filled pond, a truck garage, a Laboratory, and bag printing operations. The Diamond Fertilizer Co. occupied the Property until 1969 and Plant Life Service Inc. occupied it from 1971 to 1974. In addition, Consolidated Industrial & Agricultural Chemical and Lifetime Components Inc. occupied the Property in the 1960s. DC Filter & Chemical Inc. (DC Filter) began operation at the Property in 1976. DC Filter operated a dry cleaning filter manufacturing facility on the Property which included storage of spent dry cleaner cartridge filters and reclamation of tetrachloroethene (PCE). The eastern por-

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tion of the Property was occupied by a fiberglass boat manufacturer during the 1960s and 1970s and furniture warehouse from 1991 through 2006.

Records indicated that in the 2000s, the Property was also occupied by JDL Supply Inc. (cleaning compounds/laundry supply) and Eaton Laboratories Div (soaps & detergents). In the 1980s, DC Filter purchased a company known as Raytex that operated in Pennsylvania and manufactured cleaning compounds, detergents, and other chemicals for the dry cleaning and laundry industry. All of the chemicals and detergents from that facility were shipped to the Property and stored in the Warehouse currently occupying the Property, presumably for resale and use. Many of the containers were present at the time of the 2011 Phase I and amounted to approximately 800 to 1,000 55-gallon drums and greater than several hundred other containers ranging in size from 15-gallons to 250-gallon plastic totes stored throughout the Warehouse on the Property.

BSL acquired the Property in stages from 2006 through 2009. The former DC Filter property was the last group of parcels to be acquired in May 2009, when BSL purchased the Property through a delinquent real estate Auditor's sale. BSL continues to lease the warehouse building to Mr. Morey (former operator of DC Filter). Upon purchase of the Property, Mr. Waldock hired Barnes Nursery to clear the trees and brush from the northeastern portion of the Property in preparation for the demolition of the Sulfuric Acid Plant and associated sulfur AST and Sulfur Bin. Mr. Waldock indicated that the Sulfuric Acid Plant consisted of a 15 by 20 foot cinder block building with a lead roof, a sulfur AST and a six (6) foot high open concrete Sulfur Bin. According to Mr. Waldock, Mr. Morey informed him that the small warehouse formerly located on the southeast portion of the Property previously contained a paint spray booth that was never used and a fabrication shop. This warehouse and the Laboratory formerly located on the southeastern portion of the Property were demolished.

Mr. Waldock also indicated that at one time the previous owner of the eastern portion of the Property had accepted construction and demolition debris from a variety of masonry contractors in the area. These piles of material were removed by BSL by the summer of 2010. BSL also contracted Complete Waste Disposal to conduct waste characterization activities on the Property and they are in the process of removing and disposing of the drums and containers accumulated by DC Filter.

### **Current Uses of the Property**

Currently, Mr. Gary Morey (former Property owner) operates Morey Manufacturing, Inc. which repackages detergents and cleaning agents. Morey Manufacturing occupies the Office Building and approximately 8,000 square feet of space in the warehouse building.

### **Uses of the Adjacent Properties**

North: Third Street and a former railroad track bed adjoin the Property to the north. Beyond Third Street is vacant land, the former Universal Clay Products (1528 First Street, now vacant), and JBT Food Tech (1622 First Street). Universal Clay was a producer of electrical porcelain insulators made from area clays. JBT Food Tech manufactures stainless steel equipment. Beyond the former railroad track to the northeast is Glass House (1626 Third Street), an auto glass supplier.

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**South:** The Property is bordered to the south by Fifth Street, beyond which are residences, Colonial Apartments, Mark Advertising (commercial printing at 1600 Fifth Street), Cabot Marine (1650 Fifth Street), WWW Boat Service (1703 Fifth Street). To the southeast across Fifth Street is American Quality Stripping (industrial plating and metal stripping at 1700 Fifth Street).

**East:** The Property is bordered to the east by WWW Boat Service (1703 Fifth Street) and the former railroad.

**West:** The Property is bordered to the west by a vacant commercial building (1423-1425 Fifth Street) and residences.

### **Property Description (Number and Current Condition of On-Site Buildings)**

The 11.5231 acre Property is occupied by two (2) buildings formerly operated by DC Filter, several concrete foundation remnants of former buildings, gravel drives, vacant grass areas, and an asphalt paved parking lot. One (1) building is the Office Building fronting on Fifth Street. The second building is the DC Filter Warehouse Building.

The Office Building is a brick structure with a basement measuring approximately 1,975 square feet constructed prior to 1950. The DC Filter Warehouse Building is a slab-on-grade masonry, concrete and steel structure measuring 33,100 square feet constructed in stages from 1955 through the 1980s. The building is comprised of five (5) sections (designated Warehouses A through E). Warehouse E is the newest and is steel frame construction with steel decking and corrugated steel siding.

Concrete and gravel building foundation remnants include a former laboratory structure and shed (razed in 2010) on the southeast portion of the Property, a former Sulfuric Acid Plant and Sulfur Bin on the north portion of the Property (razed in 2010), the former Fertilizer Manufacturing Plant (razed around 1975) and the Herman's Furniture Warehouse (formerly the Fertilizer and Insecticide Warehouse, razed in 2009).

A gravel access drive and parking lot are present west of the two (2) existing buildings and provide access from Fifth Street. An asphalt parking lot is located east of the Office Building. The remainder of the Property consists of lawn.

### **Previous Sampling Activities**

During demolition of the Sulfuric Acid Plant, a sample of the sulfur residue was collected from the sulfur AST and submitted to the Ohio EPA for analysis. Analytical results revealed that the product was 98% pure sulfur and therefore, the residue was considered a non-regulated material.

Mr. Waldock indicated that during demolition of the laboratory building, asbestos containing materials (ACMs) were discovered in ceiling tiles. The demolition contractor notified the Ohio EPA prior to the completion of demolition activities.

After BSL purchased the former DC Filter site, they subcontracted Complete Waste Disposal to conduct waste characterization and disposal of the storage drums and containers.

### **Redevelopment Potential of the Property**

#### **1. Potential end users, investment of the Property # of jobs**

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BSL anticipates that construction of a single or multi-tenant commercial facility on the Property could potentially create as many as 30 new or retained jobs with average annual salaries of approximately \$35,000, resulting in an estimated \$10,500 in income taxes annually.

### **2. How does project fit with master plan**

The City of Sandusky's *Comprehensive Plan* (February 2005) identifies the Property as being located in one (1) of the City's industrial land use clusters. According to the report, the area surrounding the project Property (known as the East Planning Area) is one of several Targeted Redevelopment Areas. Key recommendations in the Plan include encouraging redevelopment and reinvestment and supporting new development within the City, aggressively promoting and assisting local manufacturing business retention and expansion and fostering waterfront development. The Plan points out that Sandusky has strong signs of being land-locked from a development standpoint; therefore, adaptive re-use of existing properties is critical for the City's future development plans. The Plan also identifies the lack of available space as a constraint for both commercial and industrial development and expansion within the City. According to the Plan, the proposed land use for the Property is for commercial development.

The goals stated in the Comprehensive Plan for properties located in close proximity to the City's waterfront are to support the redevelopment plans identified in the Sandusky Port Development Plan. The City of Sandusky prepared the *Sandusky Port Development Plan* in 1991 (updated in 1996) to specifically address future development along the City's waterfront. The Property can provide a large vacant area of land suitable for businesses currently located along the waterfront which need to relocate or expand operations to properties in close proximity but not directly on the waterfront.

The City of Sandusky believes that one of the keys to revitalization is an aggressive approach to the assessment, remediation and eventual redevelopment of brownfield sites. The assessment is the first step in preparing this Property for future redevelopment which will support the recommendations of the Comprehensive and Port Development Plans of creating large areas of land available for development in close proximity to the waterfront.

### **3. Other sources of funding**

BSL has spent approximately \$150,000 for redevelopment of the Property, including demolition of structures, debris removal, and characterization and disposal of waste containers and drums.

The City of Sandusky, through a U.S. Environmental Protection Agency (EPA) Brownfield Assessment Grant, has provided approximately \$18,000 for Phase I environmental assessments of portions of the Property. BSL has spent \$8,000 for Phase I assessment of the entire Property.

After the Phase II Environmental Assessment is complete, additional funding to support remediation and redevelopment activities at the Property may be available through the United States Environmental Protection Agency's Brownfield Cleanup Grant, the Ohio Water Development Authority Loan Program or possibly through yet to be determined state Economic Development and Brownfield programs.