



Application Summary – Attachment A1 AMETEK Property



Goals of the Brownfield Project:

The City of Kent's application for the AMETEK Property is proposing to use \$1,084,403.55 from the Clean Ohio Revitalization Fund. The overall goal of the project is to abate the on-site asbestos, remediate on-site contaminated soil areas and groundwater, and redevelop the site into a new commercial/industrial facility.

Economic Benefits of the Brownfield Project:

The City of Kent boasts an incredible resource both in academic research and in a trained and educated workforce. With the erosion of traditional manufacturing, we are dedicated to repositioning Kent as the location to research and to develop new technologies in order to bring new products to market. The location of this site will complement current efforts with our recent downtown development and utilize property that once played an earlier role in Kent's industrial history. Since Kent is a mature city which is somewhat landlocked, resurrecting abandoned and underutilized industrial sites is a key strategy in our economic development objectives. Without question, this project is a win-win from any perspective: it guaranteed that the AMETEK headquarters remains a Kent/Ohio industry, it features two strong potential end-users, it employs a development partner that has already invested \$27 million in Kent's Central Business District, puts back into production a large manufacturing facility and site that would otherwise sit vacant, and finally, serve the needs of disadvantaged (veterans and sight impaired) workers. The City feels it needs to take a proactive position to see that the AMETEK site will once again become productive and economically viable. This can only happen with the environmental cleanup of the site.

The proposed project is located along the Lake Street industrial corridor, just ½ miles northeast of our central business district of historic downtown Kent. Being close to downtown Kent, the site has played a key role in Kent's previous industrial chapter and is extremely well-positioned to implement several key strategies that will shape the next five years and beyond. First, the location is proximate to downtown Kent. This strategy includes revitalizing our central business district with a new hotel & conference center, attracting new retail and the commissioning of a life-style center that will enhance the quality of life for residents and positively impact work force attraction and retention. This project will connect the amenities (e.g. eateries, lodging, rail and river front) of downtown with a new business and employment base. Second, it retained AMETEK as



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a top City of Kent employer (90 corporate positions) with a fifteen year anchor lease in the \$100 million Downtown Kent Revitalization project. Once remediated, the AMTEK site will employ potentially 150 new employees. This will significantly enhance our current array of existing Lake Street manufacturing facility employment possibilities. Finally, we wish to expand upon our recent successes with economic gardening initiatives (e.g. SBDC/Kent Incubator) and to turn a mostly vacant, neglected and underutilized brownfield into a “next generation” business facility that will assist disadvantaged workers and companies and aid in the development of new products and industries.

The AMETEK Property, currently owned by the City of Kent is partnering with J&E Development Corporation. J&E Development Corporation, a part of the Dunlap Family of Companies, will act as the Development Partner of the Property. J&E Development Corporation plans on taking ownership of the Property after remediation is complete on the Property. Ohio Lighthouse for the Blind and Vision Impaired and Ron-Al Mold and Machine has already committed to moving into the on-site facility once remediation and remodeling is complete. To support the location of these employees, we would renovate and modernize the space requests of the tenants, estimated to exceed \$1 million.

Ohio Lighthouse for the Blind and Vision Impaired, Inc. is a 501(c)(3) public charity, education and service center dedicated to assisting blind and vision impaired people to live independently that was established in 2008. The Ohio Lighthouse will offer a wide variety of educational programs, community services and outpatient rehabilitation for the blind and vision impaired. They will also build an on-site industrial center that will employ an estimated 50 to 100 individuals of which 75% will be blind or vision impaired. The training center will employ approximately 50 additional individuals. Ohio Lighthouse will be very intent on placing as many individuals with disabilities as they are able at the training center. Hourly wages will range from \$8.00 per hour to \$60.10 per hour with an average of \$12.58 per hour. Total building renovation costs is estimated to be \$5 to 6 million.

Ron Al Mold and Machine, Inc., based in Kent, Ohio have been in business for 32 years. Ron Al Mold and Machine’s General Machining Division plans of adding a new location at the Property to manufacture the small and large batch orders within their current general machining division. Ron Al will be targeting a number of industries, including but not limited to: mining, heavy machinery, medical, government, and aerospace. Two shifts with eight to twelve employees per shift are planned to start at the new location. Employees will receive wages anywhere between 8 and 20 dollars per hour depending on skills and prior experiences. Total investment to start up this new location, including new machinery, equipment, and employees, is estimated to be \$3.5 to \$5.3 million.

Taxes generated as a result of this project will come from both income taxes and property taxes. Income taxes can be estimated at \$125,000 per year (City of Kent Income Tax of 2% of all payroll). The property taxes for this property is \$56,768.30. Since the facility will remain the same, there is not a anticipated increase in property taxes.



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Community Benefits of the Brownfield Project:

Today, like many Ohio cities with a former manufacturing base and historic downtown, we are transitioning from traditional manufacturing to a knowledge economy. The City of Kent is home to Kent State University comprising some 30,000 students, staff and faculty members. While still boasting several strong industries (e.g. Davey Tree Expert Company, Smithers-Oasis, Land O' Lakes, Schneller, Inc., ACS, MAC Trailer and AMETEK), our vision for the future is to provide opportunities for new start-up companies and technologies that will be nurtured and enhanced due to the available resources such as a largely educated workforce, research and new technology provided by the University's proximity. Repurposing brownfield industrial sites like the 280,000 square foot AMETEK building are a critical component of our current strategic plans. In order to keep the ninety high paying, corporate jobs at AMETEK and have them sign a 15 year anchor lease in our \$100 million Downtown Revitalization Projects, the City of Kent negotiated to take possession of the AMETEK facility. Creating viable assembly and manufacturing jobs at this Property, especially for disadvantaged workers (veterans and sight impaired), would be a tremendous win-win initiative. Our future economy, especially in northeast Ohio, depends on our ability to reposition brownfield sites and grow new industries.

This project, when implemented, will provide another integral piece of Kent's overall revitalization strategy throughout the next five years. In late 2006, we initiated our efforts to become a Main Street community and we were accepted in January of 2007. This project will complement our overall strategy to revitalize our historic downtown as well as former historically significant sites, of which parts are currently brownfields in great need of reinvestment. The project further compliments existing manufacturing companies along the Lake Street corridor (Smithers-Oasis and Gougler Industries) as well as the former Erie Rail yard property just to the north (currently served by the Wheeling and Lake Erie Railroad). With the support of CORF funding, the AMETEK site can be put back into productive use for the foreseeable future.

History of Project Property:

The City of Kent historically began along the banks of the Cuyahoga River as a canal town (P&O canal). In 1863, the first rails were laid for the Atlantic & Great Western Rail Road (later known as the Erie RR) and Kent was selected as the location for two rail yards and shops, as well as a second main line (Baltimore & Ohio RR). The town boomed, signaling a long tradition as a transportation hub and as a strong region for manufacturing. Early 1900s era companies included: Mason Tire & Rubber and Black & Decker both occupied the AMETEK site, 627 Lake Street. Williams Brothers Mill, Davey Tree Company, Twin Coach Company, and many others occupied other areas of Kent.

In 1920, the current industrial building complex was constructed on the Property. The Property was occupied by manufacturing operations, producing electric motors and related devices, for nearly 90 years. Previously known as Lamb Electric, the property at one time employed over approx 1,000 people and was part of one of two major industrial areas in the City. The property also lies adjacent to property once used as a large railroad yard. The existing site contains approximately 15 acres, with the main building encompassing roughly 210,000 square feet of space. Starting in the 1990's the



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manufacturing portion of the business began to decline at the Kent location and presently, there is no manufacturing taking place at the facility. A portion of the current facility is used as office space for administrative, technical and support staff, but much of the building is unused and extremely underutilized. The building does not suit the current needs of AMETEK as administrative office space, and therefore agreed to move into the new downtown Kent location. The proposed date that AMETEK will move out of out of the on-site building is October 1, 2012 or sooner.

Environmental Improvements and Benefits:

The City of Kent is committed to eliminate ongoing threats to public health, safety and the environment. The VAP Phase II Property Assessment performed on the property indicated there was evidence of soil and groundwater contamination above commercial use standards on the Property as well as asbestos hazards.

Cleanup Benefits:

Results of the Phase II Assessment have identified soil and ground water contamination at the Property above applicable VAP standards. Remedial activities will address soil and ground water impact through active and institutional measures.

1. Contaminated soil removal and clean fill replacement to meet commercial/industrial DCSS within the POC;
2. Implementation of a Risk Mitigation Plan (RMP) to mitigate direct contact exposures to construction and excavation workers from soils containing COCs at levels exceeding C/E DCSS;
3. Ground water remediation along the eastern Property boundary and within the chlorinated plume source area to achieve and maintain future compliance with applicable standards and ground water response requirements;
4. Removal of asbestos-containing material and universal wastes from the existing on-Property structures prior to building renovation;
5. Enactment of an Environmental Covenant between the owner (and subsequent owners) and the Ohio EPA to ensure commercial/industrial land use and a restriction of ground water usage at the Property.

These activities will reduce the threats to human health and the environment and allow the site to be redeveloped as a commercial or industrial facility.

Sustainability:

Demolition and new construction will not be performed on the Property. Therefore, these types of sustainable activities are not applicable to this property. Ohio Lighthouse, one of the committed end-users of the Property, plans on adding solar panels to the roof to reduce the amount of electricity used at the facility.

Project's Readiness to Proceed if Funded:

If funded, the AMETEK Industrial Project will proceed immediately. Acquisition of the property is complete, end users have been identified, and the development partner is putting all the financing sources in place. The redevelopment of the AMETEK Property is a high priority for the City of Kent and award of a Clean Ohio Assistance Fund Grant is critical to the success of the project.