



November 2, 2022

Mr. Brandon Sehlhorst
Director, Department of Economic Development
City of Toledo
One Government Center, Suite 2200
Toledo, OH 43604

**Re: Transformative Brownfield Remediation Projects
Toledo ARPA Funding Request**

Dear Director Sehlhorst:

The Lucas County Land Bank has a mission to strengthen neighborhoods by returning vacant, abandoned, and tax-delinquent properties to productive use. For more than 12 years now, we have proudly worked with the City of Toledo and your department to accomplish important projects that benefit the residents of Toledo and its economy.

Thanks to state and federal government investments, we are presented with a unique opportunity to transform some of the most blighted buildings and the most under-utilized sites through brownfield remediation.

In the Memorandum of Understanding between the Land Bank and the City of Toledo, brownfield remediation project collaboration is called out as one of the many ways we work together to strengthen this community. This speaks to the strong commitment that Toledo and Lucas County leaders have made toward making progress through this work. We also appreciate the commitment that Toledo City Council and the Mayor made toward funding brownfield remediation projects through the Toledo Recovery Plan ARPA framework.

As you know, brownfield projects are complex and expensive. Since last year, we have worked to prepare sites, analyze reports, and procure bids. We appreciate the input that you and your team have provided as we completed that initial work.

We are now ready to move forward with five major projects, and we are requesting funding assistance from Toledo ARPA dollars to complete this important work.

What follows is a summary of the projects, their expected costs, and the impact that each project will have on the neighborhood it is located in. We have also included a visual presentation and a budget spreadsheet with this letter to support our request.

Project 1: Rosemary Apartments – Environmental Abatement & Demolition

Project Cost: \$449,375 | Toledo ARPA Request: \$0

The Rosemary Apartments site is a vacant, blighted, seven-story apartment building located near the intersection of Detroit and Phillips in west Toledo. Its gross building area is 30,800

square feet and it is located on 0.3 acres of land. The Land Bank has the power to abate the public nuisance that this property is causing as an agent of the City of Toledo through our MOU.

The property was the site of a terrible tragedy in 2016, when a Whitmer high school student fell to his death in an open elevator shaft. Removing this building will not only remove an eyesore, but also a serious danger to the community. Following demolition, a memorial may be placed at the site, which cannot be redeveloped due to being entirely located within the Ottawa River floodplain.

The Land Bank has awarded bids to Midwest Environmental for environmental abatement and Klumm Brothers for demolition as the lowest and best bidders after a public process. The total cost of the project may be up to \$449,375. The Land Bank intends to pay for all project costs with an Ohio Building Demolition and Site Revitalization Program grant and therefore, no Toledo ARPA funding is requested.

It is expected that the project will be completed and all reimbursements made by the end of the second quarter of 2023.

Project 2: Baron Drawn Steel – Environmental Abatement & Demolition

Project Cost: \$857,844 | Toledo ARPA Request: \$357,844

The Baron Drawn Steel site is a series of vacant and blighted industrial buildings located near the intersection of Dorr and Upton in central Toledo. Its gross building area is 245,125 square feet and it is located on 6.9 acres of land. The Land Bank is the owner of the site, having acquired it following a tax foreclosure in which the owner abandoned the property.

The property has been a challenge for the Clinton Park neighborhood for many, many years. Following demolition, there is a significant opportunity for job creation and redevelopment, given its proximity to rail and other nearby economic development anchors.

The Land Bank has awarded bids to Midwest Environmental for environmental abatement and D & R Demolition Corporation for demolition as the lowest and best bidders after a public process. The total cost of the project may be up to \$857,844. The Land Bank intends to pay for \$500,000 of the project costs with an Ohio Commercial Site Cleanup Pilot Program matching grant. The balance of \$357,844 is requested from Toledo ARPA funding.

It is expected that the project will be completed and all reimbursements made by the end of the third quarter of 2023.

Project 3: Elm Street Warehouse – Environmental Abatement & Demolition

Project Cost: \$872,694 | Toledo ARPA Request: \$445,569

The Elm Street Warehouse site is a series of vacant, blighted buildings located near the intersection of Bancroft and Elm in north Toledo. Its gross building area is 99,806 square feet and it is located on 1.1 acres of land. The Land Bank is the owner of the site, having acquired it following a tax foreclosure in which the owner abandoned the property.

The property was the site of a terrible tragedy in 2009, when the body of a Toledo teenager was found in the building after she had been murdered. Removing this building will not only remove

an eyesore, but also a serious danger to the community. Following demolition, there may be an opportunity for job creation and redevelopment, given its proximity to other industrial uses and I-280.

The Land Bank has awarded bids to Erie Environmental for environmental abatement and Advanced Demolition Services for demolition as the lowest and best bidders after a public process. The total cost of the project may be up to \$872,694. The Land Bank intends to pay for \$427,125 of the project costs with an Ohio Brownfield Remediation Program matching grant and an Ohio Commercial Site Cleanup Pilot Program matching grant. The balance of \$445,569 is requested from Toledo ARPA funding.

It is expected that the project will be completed and all reimbursements made by the end of the third quarter of 2023.

Project 4: Spitzer Building – Environmental Remediation

Project Cost: \$3,377,275 | Toledo ARPA Request: \$2,377,275

The Spitzer Building is a vacant eleven-story downtown office building located at the intersection of Madison and Huron, affectionately called the “Four Corners” because it is the only corner in downtown Toledo where all four original buildings remain standing. Its gross building area is 223,888 square feet and it is located on 0.6 acres of land. The Land Bank is the owner of the site, having acquired it following a tax foreclosure in which the owner abandoned the property.

The property has tremendous potential to be redeveloped into a mixed-use residential and commercial building, adding over 150 apartment units and retail amenities to the downtown, where demand for such living remains high. The environmental remediation will remove asbestos, lead-based paint, and other hazards from the property in a way that helps to further its job creation and economic development opportunities.

The Land Bank has awarded the bid to Total Environmental Services for environmental remediation as the lowest and best bidder after a public process. The total cost of the project may be up to \$3,377,275. The Land Bank intends to pay for \$1,000,000 of the project costs with an Ohio Brownfield Remediation Program grant. The balance of \$2,377,275 is requested from Toledo ARPA funding.

It is expected that the project will be completed and all reimbursements made by the end of the second quarter 2023.

Project 5: Nicholas Building – Environmental Remediation

Project Cost: \$935,140 | Toledo ARPA Request: \$541,390

The Nicholas Building is a vacant seventeen-story downtown office building located at the intersection of Madison and Huron, affectionately called the “Four Corners” because it is the only corner in downtown Toledo where all four original buildings remain standing. Its gross building area is 268,860 square feet and it is located on 0.5 acres of land. The Land Bank is the owner of the site, having acquired it following a tax foreclosure in which the owner abandoned the property.

Like the Spitzer Building, the property has tremendous potential to be redeveloped into a mixed-use residential and commercial building, adding over 150 apartment units and retail amenities to the downtown, where demand for such living remains high. The environmental remediation will remove asbestos and other hazards from the property in a way that helps to further its job creation and economic development opportunities.

The Land Bank has awarded the bid to Total Environmental Services for environmental remediation as the lowest and best bidder after a public process. The total cost of the project may be up to \$935,140. The Land Bank intends to pay for \$393,750 of the project costs with an Ohio Brownfield Remediation Program matching grant. The balance of \$541,390 is requested from Toledo ARPA funding.

It is expected that the project will be completed and all reimbursements made by the end of the second quarter of 2023.

Projects Summary

- \$6,492,328 in total expected costs
- \$2,770,250 in matching commitments from the Land Bank's sources
- Not to exceed \$3,722,078 in Toledo ARPA requested funding
- 868,479 total square feet and 9.4 total acres impacted
- Transformative job creation and economic development opportunities

A few key assumptions are made in this request. First, due to the complexity of the projects, certain unknowns that cannot be resolved until the work starts, and ongoing inflationary pressures in the construction industry, each project includes a twenty-five percent contingency amount in the event that change orders are necessary. Second, all actual project costs will first be paid by the Land Bank and then reimbursed by Toledo ARPA funds in whatever process the City of Toledo requires. It is very possible that the upfront allocation of these dollars will be greater than the actual final cost of the projects, freeing up additional funds for other important brownfield remediation projects in Toledo.

We appreciate your consideration of this request, and we will be happy to join you for any presentations related to this funding before Toledo City Council. Please let us know if you require any additional information as you begin your review.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'David Mann', with a stylized flourish at the end.

David Mann
President & CEO

C: Karen Poore, Deputy Mayor
Abby Arnold, Deputy Mayor