

Brownfield Premier Improvements

415 North Paul Street

Dowagiac, MI 49047

www.premierdiecast.com



Summary:

The Dowagiac Brownfield Redevelopment Authority sought Michigan Department of Environmental Quality (DEQ) brownfield redevelopment grants totaling approximately \$661,000 to address environmental conditions at a vacant manufacturing facility. The funds were used to perform an environmental assessment, address oil-saturated debris and surfaces, and provide engineering controls to address the environmental risks associated with site. This funding paved the way for the redevelopment of the property, allowing Premier Tool and Die Cast Corporation (Premier) to reuse the site and create a number of new manufacturing jobs for the area.



Site Characteristics and History:

This approximately five-acre property was first developed in 1919 by the former Du-Wel Corporation whose operations included machining, plating, and aluminum casting. In 1989, Inverness Casting Group purchased the site and their operations focused primarily on aluminum casting. When this group filed for bankruptcy, the company's assets were purchased by ICG Castings, Inc., which was then in operation from 2003-2008. In 2008, ICG Castings closed and the property was left vacant.

Environmental Issues and Remediation:

When the ICG Castings, Inc. property was vacated, several environmental risks were left behind. Specifically, the site was left with a number of abandoned containers of petroleum distillates/solvents and lubricants, residual chemicals, metal smelting, die casting, widespread oil/chemical spillage, and residual oil sludge. Since there were imminent and substantial risks to the public and environment, the United States Environmental Protection Agency (EPA) carried out a Time-Critical Removal Action in

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2010. The city of Dowagiac Brownfield Redevelopment Authority (DBRA) voluntarily entered into an Administrative Order on Consent to address the remaining environmental concerns. The work agreed to by the DBRA was partially paid for with DEQ grant funds.

Previous investigations showed that there were concentrations of aluminum in the soil and groundwater above the criteria laid out in Part 201 of the Michigan Natural Resources and Environmental Protection Act, 1994 PA 451 as amended. In addition, levels of volatile organic compounds (VOCs) and semi-volatile organic compounds (SVOCs) were present in the groundwater and that exceeded the generic Part 201 criteria. This contamination will be contained through continuing due care obligations of the new owner.

Redevelopment:

Premier, a die casting company, renovated the abandoned manufacturing facility, putting the formerly vacant building back into productive use. This company casts aluminum parts for various types of industries. This new facility allows the company to machine parts for a variety of manufacturing uses and will employ 100-200 workers in which some employees will be transferred from a Premier facility in New York.

Funding and Incentives:

The Dowagiac Brownfield Redevelopment Authority received a \$594,333 and a \$67,193 Site Reclamation Grant to address brownfield conditions at the site. Funding was used to complete a baseline environmental assessment (BEA) for the developer, remove oil-saturated debris, clean oil-saturated floors and walls, clean out sumps, perform an asbestos survey, provide engineering controls, and demolish a deteriorated and dangerous building addition. In 2011, the Michigan State Tax Commission approved a \$2,650,000 Industrial Facilities Exemption, from 1974 PA 198, for Premier to help redevelop and rehabilitate the plant. This tax incentive allows manufacturers to help renovate, and expand aging factories, and assist in building new facilities.

As part of its 128a funding, the DEQ conducted oversight of the purchaser's removal action on behalf of EPA, and participated in the final site inspection, including a photographic documentation of the work conducted. Using 128a funding, DEQ's grant and project managers were able to coordinate site cleanup activities with the Dowagiac Brownfield Redevelopment Authority and Premier to ensure the goals of the Site Reclamation Grant were met.

Economic Impact:

The State Equalized Value (SEV) of the property is now \$1,353,300. Prior to redevelopment, the SEV was slightly higher, but due to the bankruptcy of the former owners, taxes were not being paid on the property. Premier is now paying the taxes. In addition, the project leveraged approximately \$2 million in private investment and resulted in the creation of approximately 20 full-time jobs. After full build out, it is anticipated that up to 80 additional jobs may be created and an additional \$7 million in private investment will occur.

Social Benefit:

Some of the social impacts of this project include increasing the tax base, creating a safer environment for workers and nearby residents, creating jobs, and eliminating an eyesore from this community.

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Environmental Benefit:

Environmental risks associated with the property, including 800 tons of oil-saturated debris on the floors of the building were removed, sumps and floors were cleaned, the wastewater treatment system was cleaned, and other due care obligations were addressed, allowing for the safe redevelopment and reuse of the site.

Additional Background on the Web:

www.premierdiecast.com