

# Pilots, Trails, and Automobiles: Traveling Toledo Redevelopment

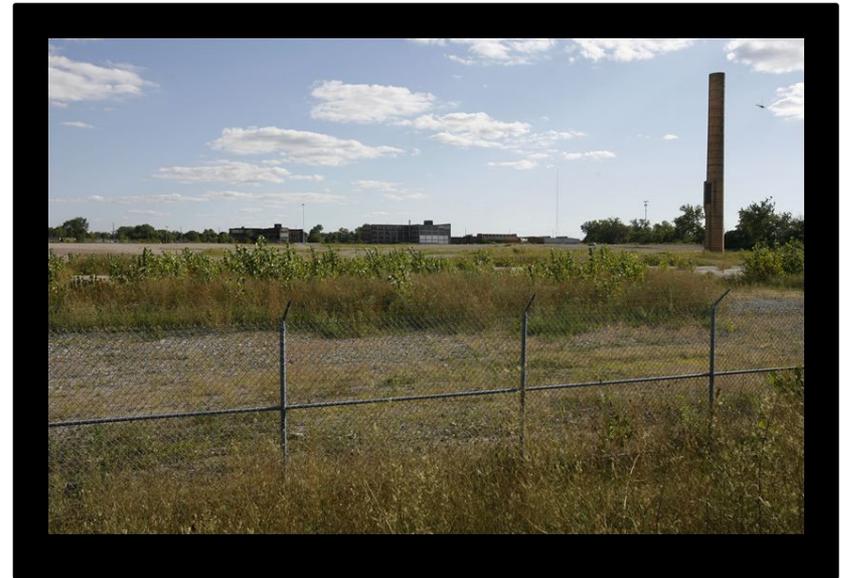


- Nancy Zikmanis - Ohio EPA
- Joel Mazur - City of Toledo
- Don Bryant - The Hylant Group
- Kim Kimlin - The Trust for Public Land
- Rob Snyder - The Fedeli Group



# Toledo Brownfield Redevelopment: 2010 – 2011

- Former Toledo Jeep Plant
- Former CSX, Westside Corridor, Rails – to – Trails



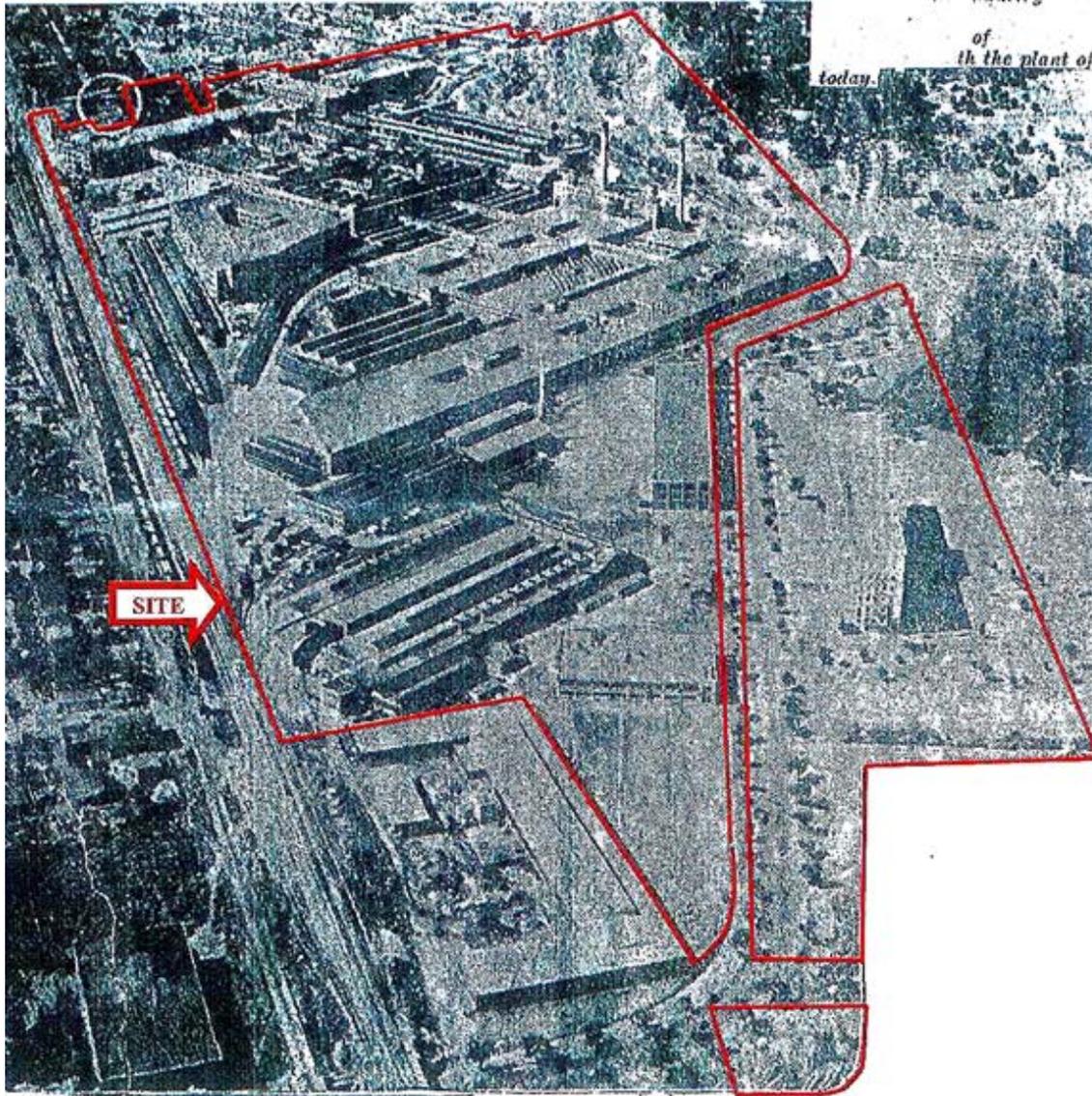
Priorities of Toledo Redevelopment

# Toledo-Lucas County Port Authority: Former Jeep Plant

- 110 acre facility
- Oldest manufacturing plant
- First industrial use: 1880s
  - Pope Motor Car (1905)
  - Willys-Overland (1912)
  - Jeep (early 1940s)
- Financial considerations



# 1927 Aerial Photo



- Challenges
- Acquisition liabilities

# Concept Plan

- Redevelopment challenges
- Adapting to the community



# Insurance Objectives

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- Discovery of unknown pollution on-site
- Claims for off-site contamination (known or unknown)
- Detection of contamination at Ottawa River
- Exposure to tenant claims
- Addressing buyer concerns related to environmental liability

# Insurance Underwriting and Site Challenges

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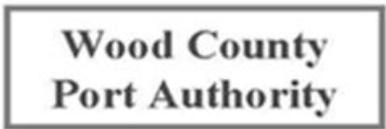
- 120 years heavy manufacturing history
- 110 acre site
- Site not extensively characterized (sparse sampling data on site)
- Ongoing remediation/Ohio VAP Program
- Heightened exposure to potential Natural Resource Damages (NRD) claims (property bisected by Ottawa River)

# Insurance Solutions

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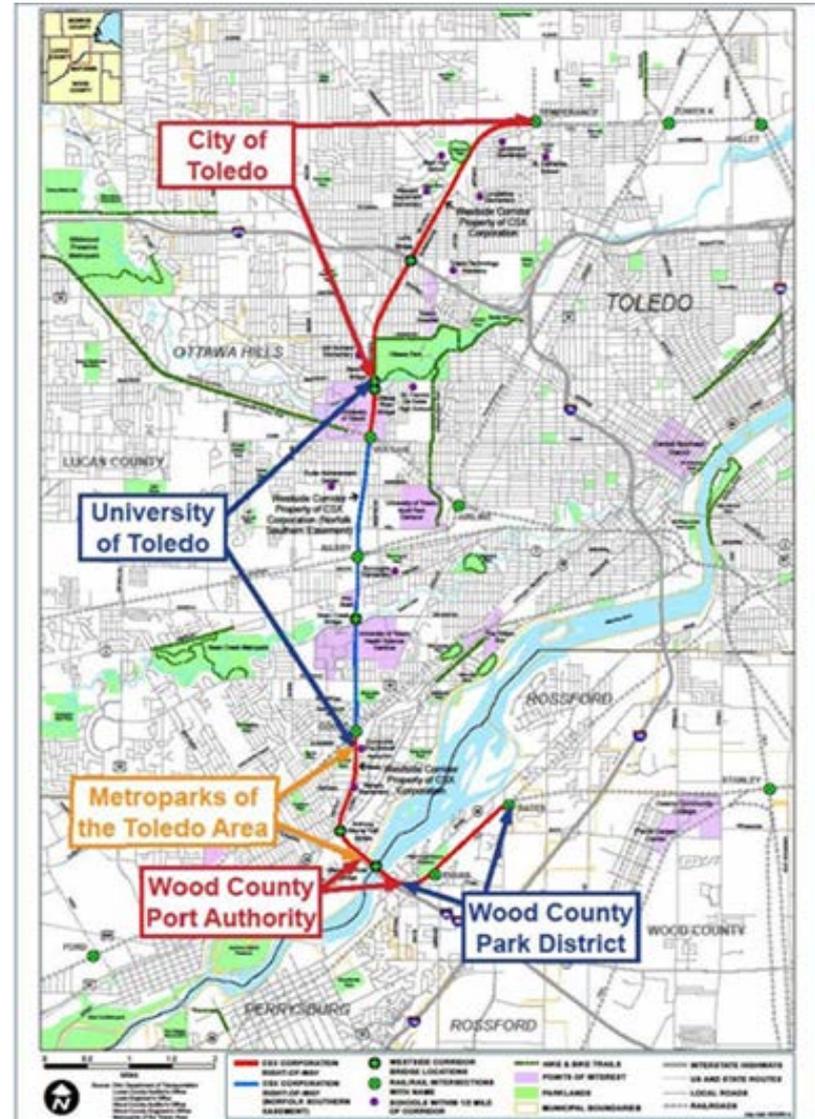
- First party coverage for unknown conditions and third party coverage on and off-site
- Mechanism/endorsement to add tenants and buyers as additional insureds at the site
- OEPA Amendatory (VAP Program) Endorsement (including subsidy)
- Mechanism/endorsement to “give back” coverage for regulatory reopener

# Westside Corridor Rails – to – Trails Project Team



# Westside Corridor Rails – to – Trails

- Land assembly
- Public interests
- Funding



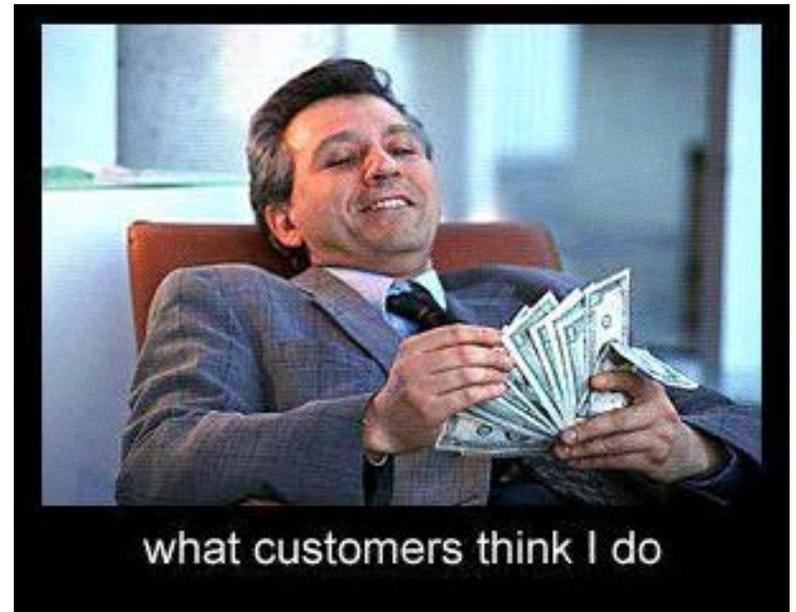
# Bridge Over Troubled Waters



Maumee River

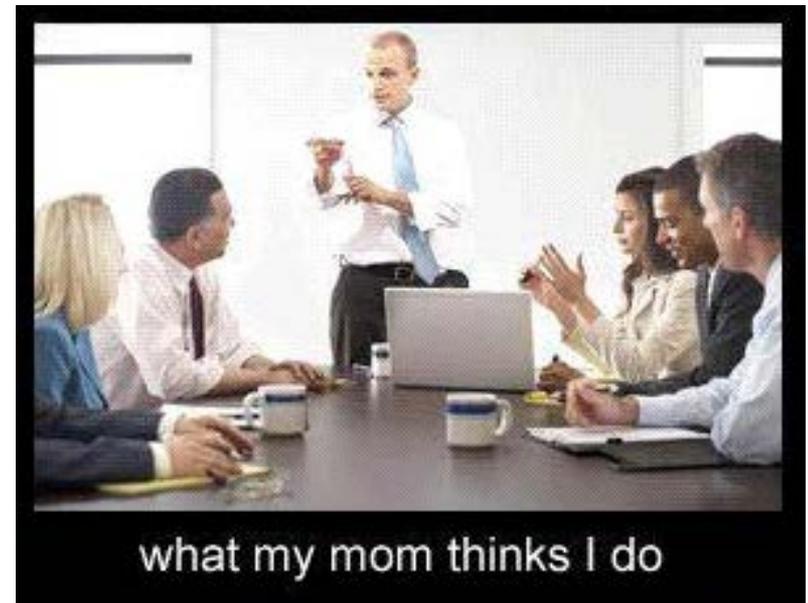
# Insurance Objectives

- Meet CSX requirement for indemnification
- Coverage issues for all
- Adequate limits
- Cost effective



# Insurance Challenges

- Large stakeholder group
- Seller Indemnification
- Bridge over Maumee River



# Insurance Solution

- Environmental Insurance Subsidy Program
- Financial backstop for Indemnification to seller
- Economically feasible



# Public Sector Exposure

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- Governments no longer enjoy blanket protection of sovereign immunity.
- Governments perceived as \$\$.
- Failure to anticipate potential risks have potential impacts to an agency budget.

# How does OEPA's Environmental Insurance Program Work?

- Anyone can enter EIP – VAP technical assistance
- Due Diligence documents or VAP for review.  
Not required to complete the VAP.
- **Coverage**
  - 10% discount on premium
  - Carriers – ACE, Great American, and Navigators
  - Haz Sub/Petroleum COCs
- You select a broker to get insurance quotes – know your needs!



# Environmental Insurance Subsidy Pilot Projects Update

- Ohio EPA provided two subsidies to local governments in 2011.
- Program: January 1 – September 30, 2011.  
Additional interest after the deadline.
- Subsidy total available was **\$35,000**
- Both projects were successful
- Ohio EPA would hope to continue the subsidies in the future, **if there is interest.**



# Thank you

