

Working Together – A Youngstown Success Story



Working Together – A Youngstown Success Story

PRESENTED BY

- **John P. Pierko, P.E., C.P., B.C.E.E.**
 - Vice President, ms consultants, inc.
- **Sarah Lown**
 - Development Incentive Manager, City of Youngstown

The American Recovery and Reinvestment Act of 2009

The Stimulus Bill

- **Create new jobs and save existing ones**
- **Spur economic activity and invest in long-term growth**
- **Foster unprecedented levels of accountability & transparency in government spending**

June 2008: Project Tomahawk

PARTNERSHIP BETWEEN

- **Vallourec & Mannesmann Tubes**
 - **Headquartered in Paris, France**
- **City of Youngstown**
- **Ohio Department of Development**
- **Ohio EPA**
- **Ohio Department of Transportation**
- **ms consultants, inc.**

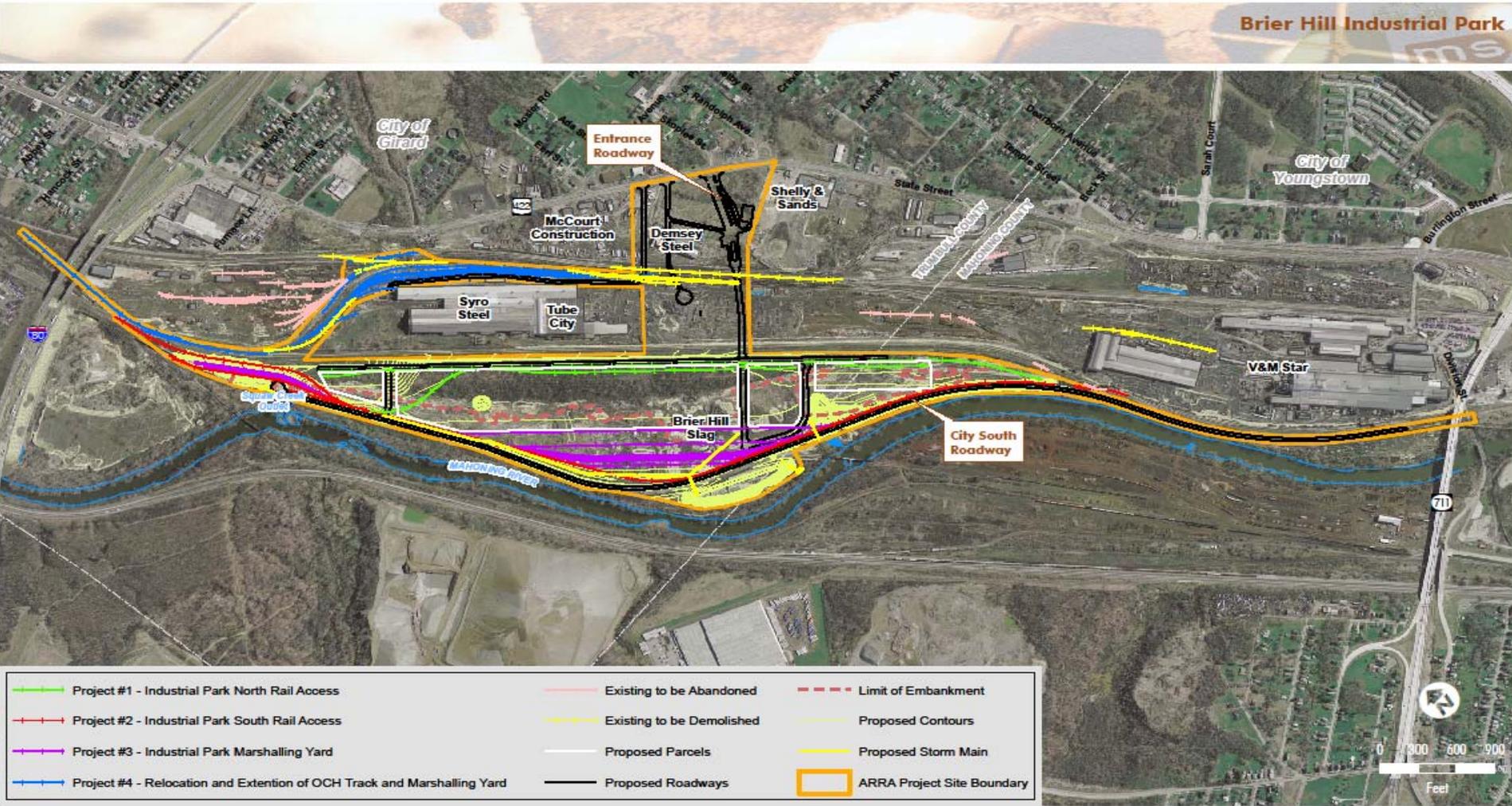


Figure 3
Proposed Site Layout

Why Youngstown?



Why Youngstown?

- Heart of the Rust Belt
- Union Town
- Crime City USA
- Land of Broken Dreams

Why NOT Youngstown?



Why NOT Youngstown?

- Youngstown Industrial Development Effects
- Youngstown Business Incubator – Over \$25 Million of Investment
- Highway System
- Location, Location, Location
- CAT Tax

Why NOT Youngstown?

- Inc. Magazine: “Youngstown Renaissance”
- Entrepreneur Magazine: “Top 10 Places to Start a Business”
- Site Selection Magazine: “Top 10 Places for New and Expanded Projects”
- “The Place for Business to Be”
- Ranked Fourth in the Nation for the Outlook for new jobs (2011 Forbes Outlook)

Challenges / Solutions

Land-Related Challenges

- **Massive Project – Minimal Resources**
- **Extensive Land Requirements**
- **Multiple Owners**
- **Brownfield Sites**

Development Challenges

- **Four Political Subdivisions**
- **Multiple Political and Regulatory Agency Coordination Requirements**
- **Confidentiality**

Time Constraints

- **October 2008 – Applications for Air Permits and Site Evaluation**
- **February 19, 2009 – City Applies for Federal Stimulus Funding**
- **March 26, 2009 – Governor announces \$20 Million for V&M**
- **April 2009 – AIR PERMITS FINALIZED**
- **June 17, 2009 – ODOT Kick-Off Meeting for Funding with a Looming September Construction Deadline**



ARRA Project Site Boundary

Figure 2
Project Study Area



Can We Be Shovel-Ready?



Can We Be Shovel-Ready?

- **Remediate Brownfields to NFA Standards**
- **Complete Construction Documents to FHWA/ODOT Standards for a \$4,000,000 Site Package in 4 Weeks**
- **Prepare, submit and receive FHWA Approval on a Level 4 Categorical Exclusion Environmental Document Within 8 Weeks.**

Can We Be Shovel-Ready?

- **Complete a \$14,000,000 Rail Improvement Construction Package by December 1, 2009**
- **Complete Right of Way Certification Under FHWA/ODOT Requirements**
- **Commence Construction by September 1, 2009**

Let's Also Add to the Mix ...

- **ARRA Funding is to the City of Youngstown**
- **Multi-Jurisdictional Control**
- **Multiple Ownership**
- **Multiple Easements**
- **No Formal Commitment from V&M**

Site Development Challenges

- **Elevation Variation of Over 30 Feet**
- **Limited Access**
- **Environmental Contamination**
- **Overhead Utilities**
- **Underground Utilities**
- **Inadequate Utilities**

Site Development Solutions

- **Grade Site for Rail Development (ARRA)**
- **Relocated Utilities to Avoid Rail Lines**
- **Utilize Funding to Create Access Solutions (ODOT)**
- **Develop Utility Infrastructure (Surcharges)**
- **Create Temporary Access Road**

Environmental Challenges

- **Wetlands**
- **Stormwater Management**
- **Flood Plain/Flood Way Issues**
- **Potential Hazardous/Regulated Waste**
- **Two Sites that require extensive clean-up**

Environmental Challenges Shelly & Sands Site

- **Oil Cloth Factory**
- **Brick Refractory Manufacturing**
- **Slaughter House**
- **Asphalt Plant**

Environmental Challenges Demsey Steel Site

- **Steel Pickling Facility and Warehouse**
- **Exterior Fiberglass Acid Holding tanks**
- **Current steel vats with pH = 1**
- **Oil stained soils**
- **Debris pile from fire in office area**

Environmental Solutions

- **Created an Environmental Covenant**
- **Preserved Wetland Areas**
- **Site Drainage and Site Clean-Up**
- **Created a Site Water Quality Pond**
- **Clean Ohio Revitalization Funding**

Environmental Solutions Shelly & Sands Site

- **9.24 Acre Site Clean-up**
- **Funded by a \$1.17 million CORF grant**
- **Future Mill Entrance**
- **Received Urban Setting Designation**
- **Lead Contaminated soil, asbestos, and paint drum clean-up**

Environmental Solutions Demsey Site

- **14.75 Acre Site Clean-up**
- **Funded by a \$1.234 million CORF grant**
- **Future Mill Entrance Truck Staging Area**
- **Received Urban Setting Designation**
- **Contaminated soil, asbestos, and AST clean-up**

Transportation Challenges

- **Need for 2 First-Class Carriers to Service Mill**
- **Infrastructure need for Local Rail Carrier**
- **Limited Highway Access to Site**

Transportation Solutions

- **Over 40,000 LF Track Infrastructure proposed at a cost in excess of \$14,000,000**
- **Service from Two First Class Carriers**
 - Norfolk Southern Railroad
 - CSX Railroad
- **Local Service Capacity**
 - Genesee & Wyoming Railroad
- **\$4 Million Access Road under Construction by City of Youngstown**

December 8, 2009

The US International Trade Commission Imposed a 10-15% Duty on Chinese Pipe.



February 15, 2010

**Vallourec & Mannesmann
announced the Company
will invest over \$650
Million for a New Small
Diameter Rolling Mill**

***“A Project of this
Magnitude is a
Game Changer”***





“A set of Stimulus Grants to develop industrial infrastructure, including a rail spur, helped trigger a private firm to make a \$650 million investment in a steel rolling mill.”

**– President
Barack Obama**

The Journal of Commerce
(May 18, 2010)





100 RECOVERY ACT PROJECTS THAT ARE CHANGING AMERICA



SEPTEMBER 2010

- **Average Stimulus Return is \$3.00 outside capital for \$1.00 of Government Investment**
- **The V&M 2 Project utilized \$20 million dollars to create an additional \$650 million project or over \$32.00 of outside capital for every \$1.00 of Government Investment**
- **A Youngstown Success Story!!**

Thanks to those who made this possible!



State of Ohio

ODOT

Ohio Rail Development Commission

Ohio Department of Development

Ohio EPA





Questions?