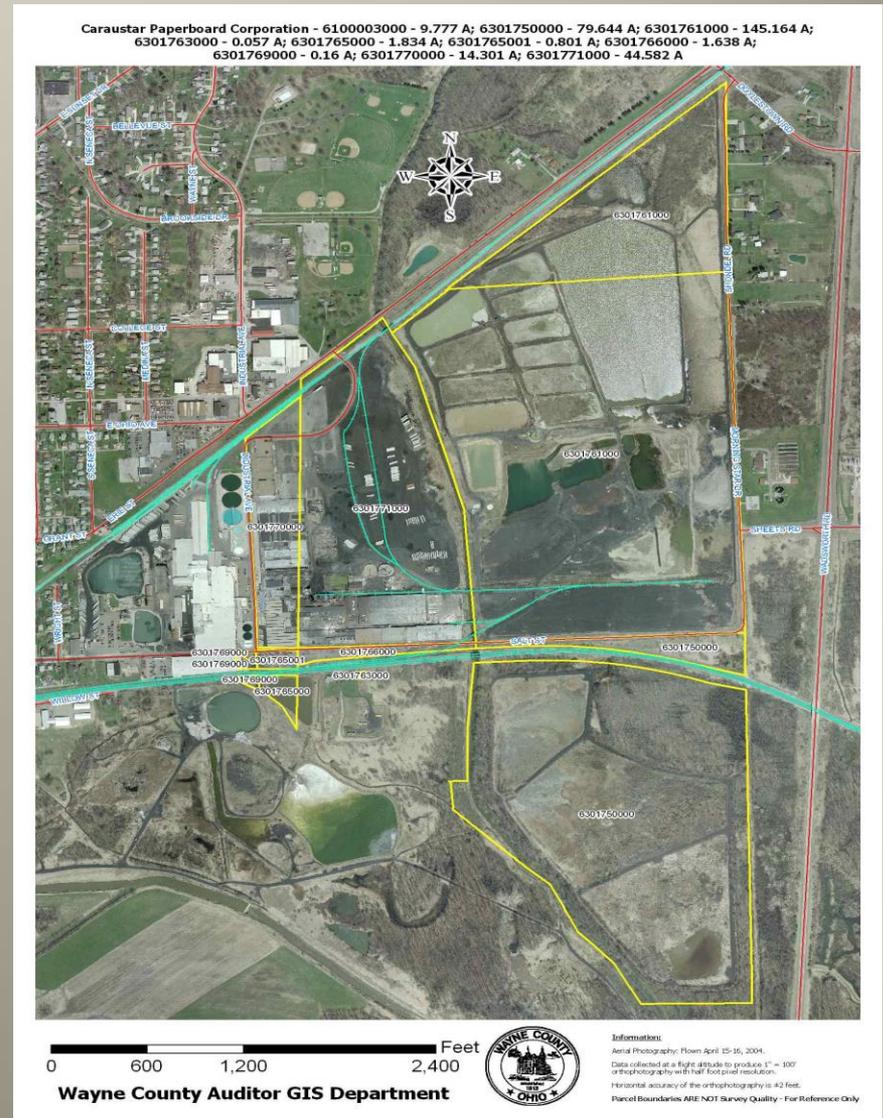


**INSIDE STRATEGY OF REDEVELOPING A MAJOR
BROWNFIELD IN A SMALL COMMUNITY**
Ohio Brownfield Conference, April 2014

LARRY BOGGS
CITY OF RITTMAN, OHIO

CARAUSTAR | FORMER RITTMAN PAPERBOARD

- ❑ 300-acre production site that employed 2,100 at peak
- ❑ 2006: Caraustar shut down about 26 plants in the U.S. – Rittman Site was one of those closed
- ❑ Produced own power
- ❑ Became 300-acre brownfield site with regulated EPA landfill
- ❑ Loss of major revenue



MASSIVE 300-ACRE SITE



MASSIVE 300-ACRE SITE





PROBLEMS FOR A SMALL CITY

- ❑ Location
- ❑ Left to Decay



PROBLEMS FOR A SMALL CITY

- Left to Decay



PROBLEMS FOR A SMALL CITY

- ❑ Left to Decay
- ❑ Citizen Complaints
- ❑ Business Complaints



WHAT WE DID

- ❑ After Meetings Failed
- ❑ Property Maintenance
- ❑ Fire Inspections
- ❑ Monthly Tap-In Fee
- ❑ Considered Abandoned Building
- ❑ Property Tax
- ❑ Contacted Brownfield Companies

CITY OF RITTMAN

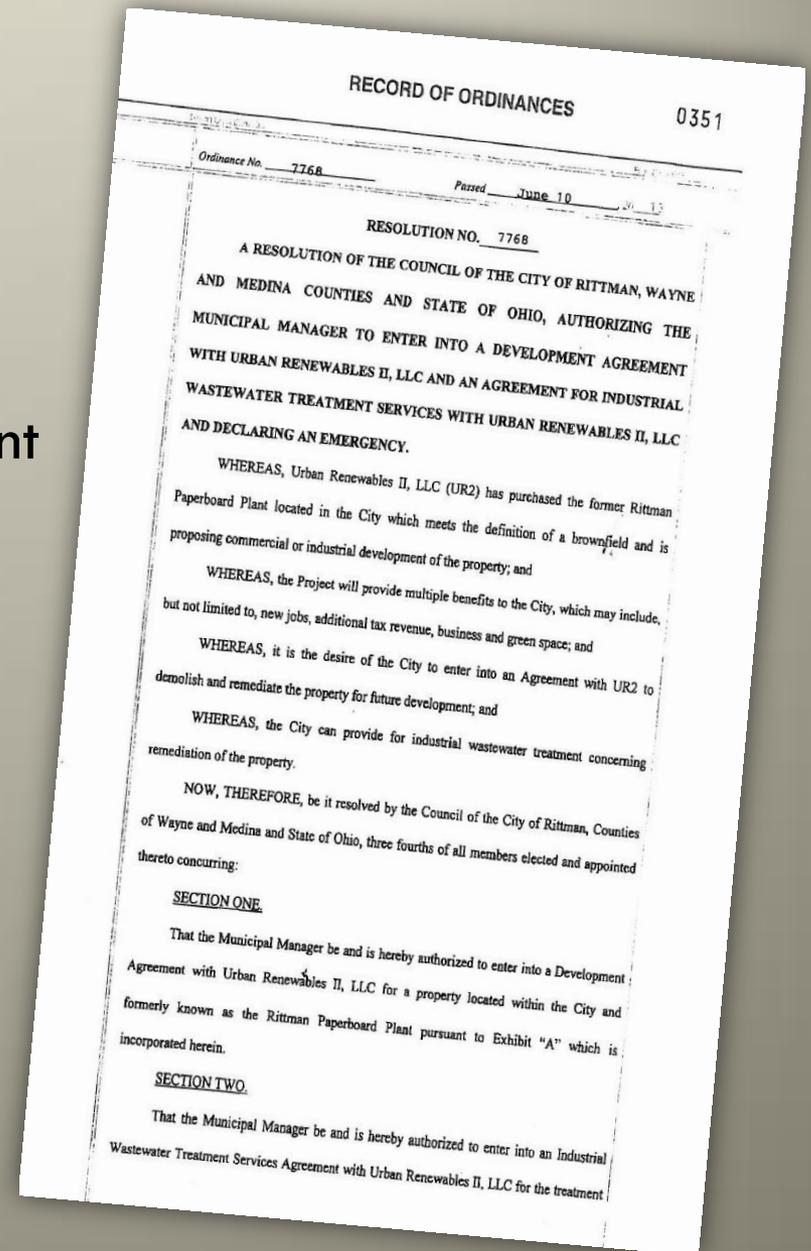
OFFICES
30 NORTH MAIN STREET
RITTMAN, OH 44270
(330) 925-2045



Property Maintenance Code of the City of Rittman

WHAT WE DID

- City Council authorized City Manager to enter into Development Contract



WHAT WE DID

- Development Contract allowed City to enter into agreement to treat wastewater, saving developer large amount of funds

AGREEMENT FOR INDUSTRIAL WASTEWATER TREATMENT SERVICES

THIS AGREEMENT FOR INDUSTRIAL WASTEWATER TREATMENT SERVICES (this "Agreement") is entered into as of January 1, 2008 (the "Effective Date") by and between the WATER AUTHORITY OF THE CITY OF RITTMAN ("City of Rittman"), located in Wayne County, Ohio and CARAUSTAR MILL GROUP, INC., a wholly owned subsidiary of Caraustar Industries, Inc., which owns and operates a paper mill located in the City of Rittman, Ohio ("Rittman Paperboard").

WHEREAS, the City of Rittman operates a sewage system, including a Publicly Owned Treatment Work (the "POTW");

WHEREAS, the City of Rittman's Sewage System and POTW has capacity to convey and treat additional industrial wastewater and stormwater;

WHEREAS, Rittman Paperboard desires to connect its industrial wastewater and stormwater discharge with the City of Rittman's Sewage System and POTW, and have the City of Rittman convey and treat its industrial wastewater and stormwater; and

WHEREAS, the City of Rittman and Rittman Paperboard desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto, and their respective successors and assigns, mutually covenant and agree as follows:

1. Definitions. For purposes of this Agreement, except as otherwise expressly provided or unless the content otherwise requires, the words and terms listed in this section shall have the following meanings:

"City Manager" shall mean the City Manager of the City of Rittman, or his authorized deputy, employee, agent or representative, all acting for the City of Rittman.

"City of Rittman's Sewer Regulations" shall mean Ohio's water pollution control laws, Ohio Revised Code Chapter 6111 and the rules adopted thereunder.

"City of Rittman's Sewage System" shall mean the entire sewage system of the City of Rittman (exclusive of the Rittman Paperboard Industrial Wastewater Discharge System) which is subject to the control of the City of Rittman.

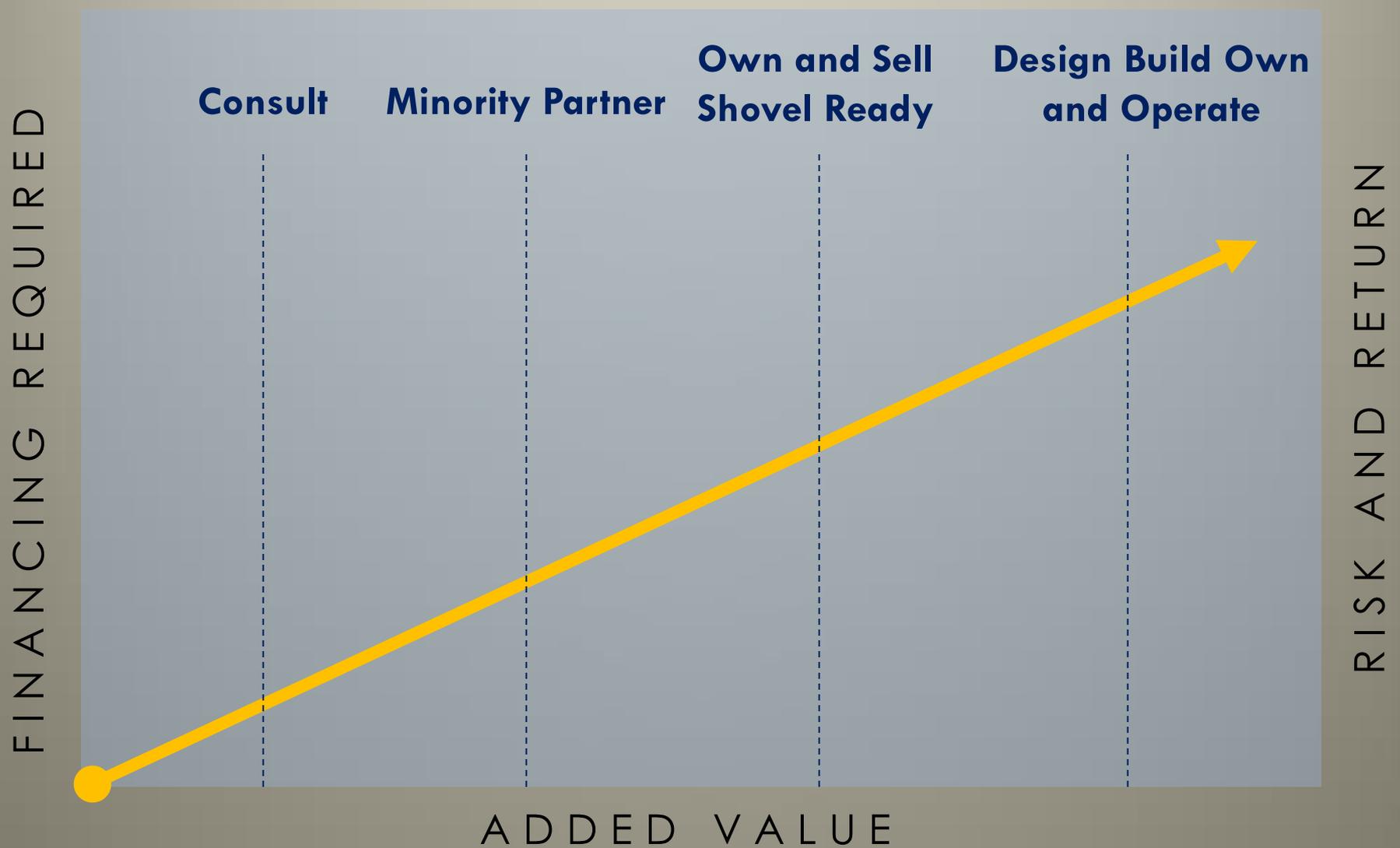
"Industrial Wastewater" shall mean aqueous and other liquid wastes and stormwater from industrial manufacturing processes and facilities, trade or businesses as distinct from sanitary sewage.

BROWNFIELD SITE TODAY



CRAIG KASPER
HULL & ASSOCIATES, INC.

RISK & VALUE | PROJECT DEVELOPMENT CONTINUUM



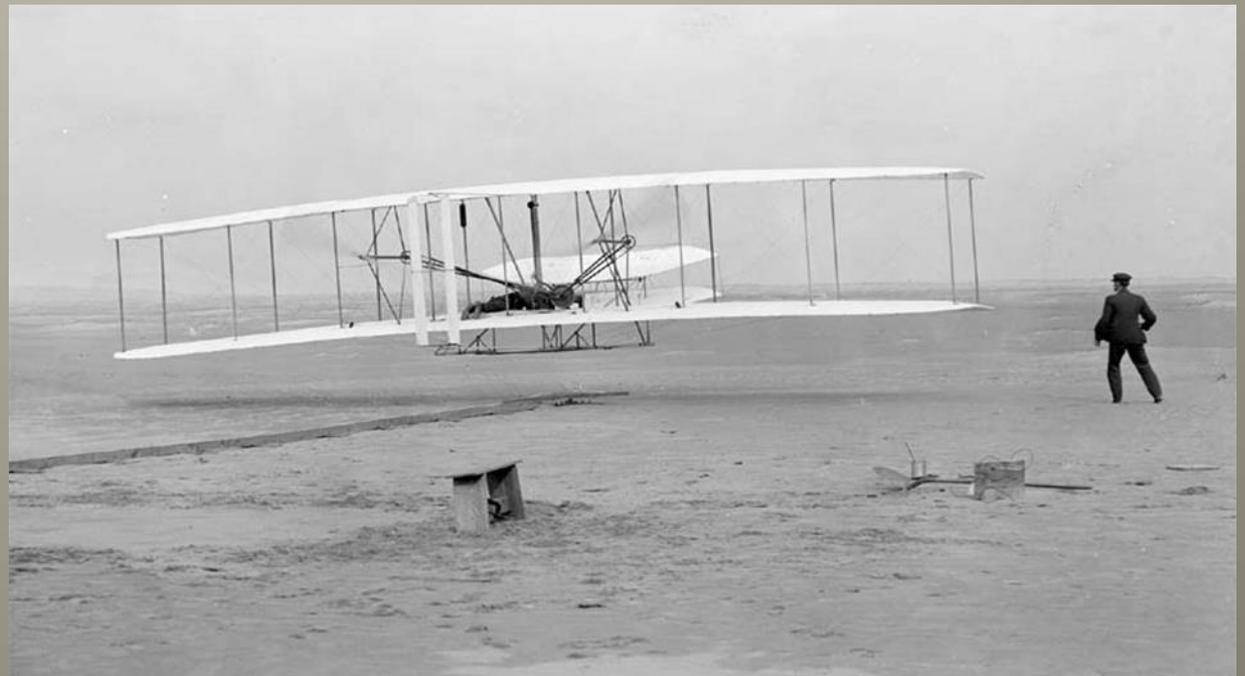
RISK TRANSFER

- ❑ Complete as is, where is
- ❑ Step in as operator of regulated unit
- ❑ Step in as respondent to Consent Order
- ❑ Many entitlements and responsibilities to consider
- ❑ Right time, right place for a transaction



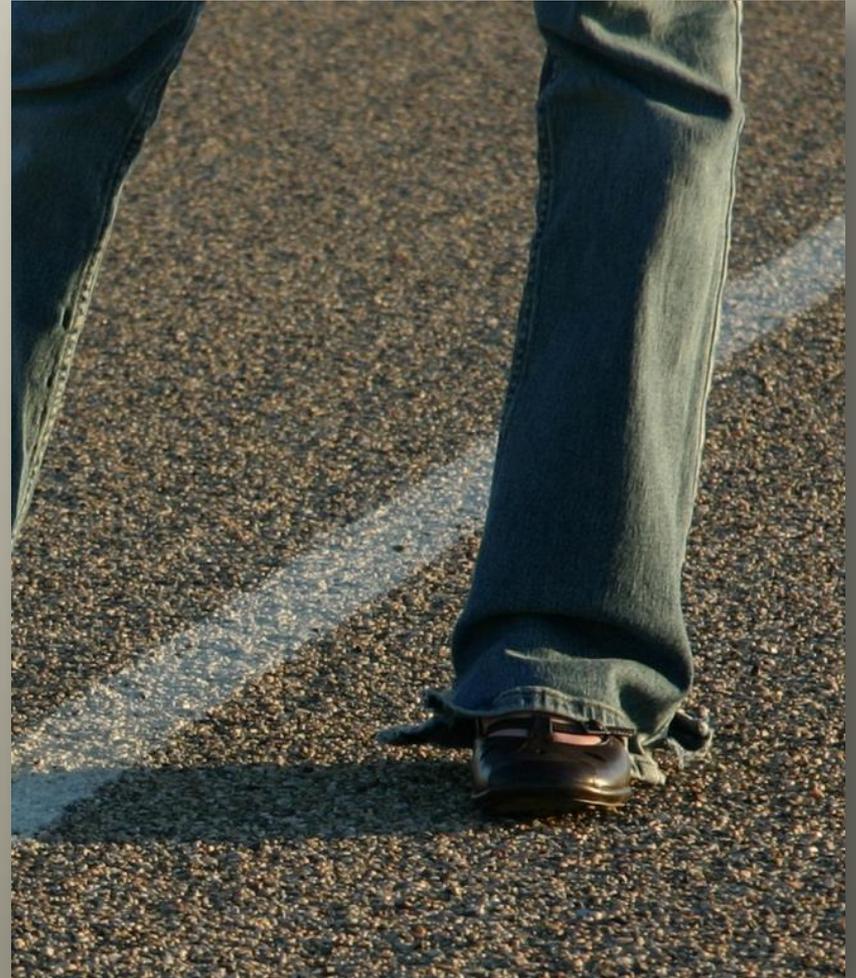
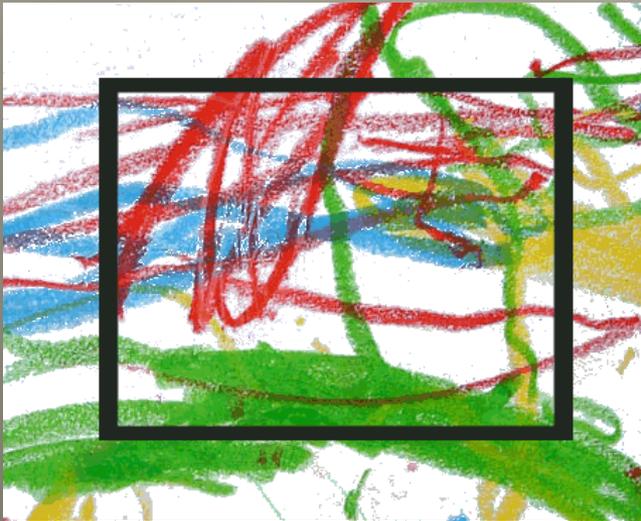
WHY TAKE RISKS ?

- ❑ Creates work
- ❑ Owners are entrepreneurs
- ❑ Results in better returns



STEPPING OUTSIDE THE CONSULTING WORLD

- ❑ Focus on what you know
- ❑ Build credibility
- ❑ Understand business, the effort and underlying risks



CARAUSTAR | FORMER RITTMAN PAPERBOARD



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CARAUSTAR | FORMER RITTMAN PAPERBOARD



ISSUES TO CONSIDER

- ❑ May not be trained in “business”
- ❑ Raising capital – needs credibility
- ❑ Conflicts of interest
- ❑ Who can be included?
- ❑ Where does the money come from?
- ❑ Balancing resources



WHY DO WE DO IT ?

improvement



excitement



opportunity



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Craig Kasper

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