Summary:
The city of Grand Rapids Brownfield Redevelopment Authority sought a variety of State and Environmental Protection Agency (EPA) Brownfield incentives to facilitate the redevelopment of a former gas station. The funds were used to perform environmental assessments and address the risks associated with gasoline related contamination for the soil, groundwater, and indoor air pathways. The project resulted in the 10,000 square foot Rylee’s Ace Hardware Store.

Site Characteristics and History:
The site consists of two parcels, one of which was a gas station and car wash and the other which had been a residential property since the 1950s. The former Clark/Value Market Express station, located at 1205 West Fulton, operated from 1953 until 2008, when the Kent Country Treasurer foreclosed upon the property due to unpaid property taxes of the previous owner.

Environmental Issues and Remediation:
In 2010 the city of Grand Rapids conducted a phase 1 environmental site assessment using funds from their EPA Petroleum Assessment Grant. The site was identified as having four 10,000-gallon underground storage tanks (USTs) that were closed in place, severely limiting the redevelopment opportunities. After Kent County acquired the property through tax reversion, the city again turned to its EPA assessment grant to fund further phase 2 work at the property. Significant soil and groundwater contamination was identified and a resulting soil and groundwater cleanup was conducted using the city’s EPA Revolving Loan Fund grant.
Rylee’s Ace Hardware/Former Clark Station

The cleanup included the removal of the four USTs and a used oil tank, followed by the removal of approximately 1,300 tons of impacted soil and about 5,350 gallons of contaminated groundwater from the area. A Liquid Boot vapor barrier was installed under the building floor as an engineering control to protect against potential vapor intrusion and asbestos was abated in the residential structure.

Redevelopment:
The former gas station and residential property were converted into what is now the 10,000-square foot Rylee’s Ace Hardware Store. In addition to the new store and parking facilities, a number of public infrastructure improvements, including new sidewalks and curb and gutters, were included as part of the redevelopment project. The new store improves the neighborhood commercial business district and enhances the neighborhood’s overall appearance.

Funding and Incentives:
The Michigan Department of Environmental Quality (DEQ) approved tax increment financing (TIF) under the Brownfield Redevelopment Financing Act, 1996 PA 381 for $279,500 to reimburse the developer for eligible environmental costs. In addition, the city utilized approximately $40,000 of its EPA Petroleum Site Assessment grant to conduct the initial site assessments and another $250,000 from their EPA Revolving Loan Fund (RLF) grant to fund the project. Repayment of the RLF will be made with state and local TIF.

To round out the funding, the Michigan Economic Development Corporation approved state and local TIF totaling around $397,000 for non-environmental activities and provided a $211,000 Community Revitalization Program grant.

Using 128a funding, the DEQ conducted a Petroleum Assessment Grant Eligibility Determination for the city of Grand Rapids to conduct a Phase 1 and Phase 2 Environmental Assessment and determine the risks of a former leaking underground storage tank at the site.

Economic Impact:
The redevelopment resulted in an increase in the State Equalized Value (SEV) from $178,500 prior to redevelopment to $341,300 following completion of the redevelopment activities. In addition, the project leveraged approximately $1.12 million in private investment and resulted in the creation of approximately 11 full-time jobs.

Social Benefit:
This project removed an aesthetic blight from the neighborhood and put a functional business in its place. The store increased business traffic to the area, improving the entire business district in this urban neighborhood.

Environmental Benefit:
Removing the USTs and impacted soil from the site improves groundwater quality. The site was previously impacted due to historical releases at the site.

Additional Background on the Web:
www.ryleesace.com/grand-rapids-west-fulton-ace-rylees