

**OPPORUNITY TO ACQUIRE SURPLUS PROPERTY/  
REQUEST FOR PROPOSALS**

The Kentucky Transportation Cabinet (“KYTC”) owns the former Vermont-American Tool Company property located in Louisville, KY. It has a street address of 510 E. Main Street. This property was acquired by the Transportation Cabinet with state highway funds to accommodate the redesign of the portion of I-65 North known as “Spaghetti Junction.” The redesign is an essential component of the Louisville and Southern Indiana Ohio River Bridges Project (“LSIORBP” hereinafter the “Bridge Project”).

Pursuant to KRS 56.463(3) and 45A.045(4), the Finance and Administration Cabinet seeks to dispose of said property for appraised value as it is no longer needed by the Commonwealth.

The property possesses conditions that need to be disclosed to a prospective purchaser.

**Environmental Contamination**

The Property, which was used for the manufacture of metal tools for nearly 100 years, is severely compromised by environmental contamination. Remediation was delayed by more than 12 years of litigation, and is now ongoing. A restrictive environmental covenant will encompass the entire Property upon completion of the remediation. (*See Hazardous Materials Report, Louisville-Southern Indiana Ohio River Bridges Project, Historical and Analytical Date Review for USTs and Hazardous Materials Sites, May 2005, p. 273.*)

These environmental issues arose as a result of the tool manufacturing operations conducted on the site from the late 1880s through the 1990s. The primary contaminants of concern are hexavalent chromium, a highly toxic pollutant, and elemental lead. The property was purchased by 500 Associates, LLC, (“500”) a holding company, in the 1980s; however, 500 was unable to sell or develop the site due to the environmental contamination. 500, the Robert Bosch Tool Company (“BOSCH) the successor owner of Vermont-American, and the Kentucky Energy and Environment Cabinet (“EEC”) were engaged in litigation for more than 12 years regarding the contamination. The litigation was resolved in 2010, after an appeal to the Kentucky Supreme Court wherein the Court found that BOSCH was responsible for remediation of the Property. That work is ongoing under the supervision of EEC’s Division of Waste Management.

Title to the Property is encumbered by an existing environmental covenant in accordance with KRS 224.01-480 et. seq. Additional restrictions will be included in the covenant upon the completion of the ongoing remediation and will cover approximately one-third of the surface area of the Property. All future owners will be required to maintain existing engineering controls in perpetuity. The restrictions will also limit the use of the Property.

## **Historic Preservation Requirements**

Further, historic preservation requirements exist on the Property's remaining structures by the Federal Highway Administration ("FHWA"). Over the last 20 years, the structures have suffered significant deterioration. The Property is now unoccupied except for homeless vagrants who occasionally and temporarily enter the structure.

Many of the buildings on the Property have been abandoned for more than 35 years. Several buildings on the site were demolished between 1967 and 1997. The remaining structures on the property are now in a severe state of disrepair. Two of the structures (Buildings 6 and 12) will be demolished to accommodate construction. Structures identified as buildings 5, 2 and 3 are located on the northwest corner of the property, along Jackson Street and bounded by Billy Goat Strut. These structures are subject to an exterior preservation requirement contained in the Record of Decision for the Bridges Project ("ROD") to be updated April 2012. The buildings therefore cannot be demolished. At a minimum, the exterior walls must be stabilized, and the windows, roofs and gutters replaced to prevent further deterioration of the structures. Estimated minimum cost of stabilization of the remaining structures required by the Building Treatment Plan approved by the Kentucky State Historic Preservation Officer ("SHPO") is in the low seven figures. (See Vermont American Complex, Building Treatment Plan for LSIORBP, July 2010.)

## **Proposals**

The proposals will be evaluated on the following criteria:

1. Time necessary to take possession of property —35 points.
2. Plan for use of the property---35 points.
3. Financial and organizational capability to implement plan---25 points.
4. Willingness to pay appraised value of property-----5 points.

The right to negotiate with the KYTC will be awarded to the highest evaluated response. Property will be sold "AS IS." The FAC reserves the right to cancel this request for proposals and not negotiate with anyone.

## **Due Date**

To be considered, your response must be received by **5:00 pm prevailing Frankfort time on Monday, February 20, 2012**. You may submit a response via facsimile (502-564-9875), or regular mail (Attn: Jeff Mosley, General Counsel, Room 392, Capitol Annex, Frankfort, KY 40601). **Any response received after 5:00 pm on Monday, February 20, 2012 will not be considered.**

