

Ohio Historic Preservation Tax Application- # 0032165

Section A - Eligibility Criteria

Project Information Summary	
Trade Secret Information	false
Name of Building/Project	Akron Soap Company Building
Address	237-241 Furnace Street
City	Akron
Zip	44304-1284
County	Summit
Parcel Number(s)	6822527, 6822494
Permanent Jobs Created	3.00
Construction Jobs Created	15.00
Project Square Feet	15,433
Residential Units	11
Start Date	January 3, 2024
End Date	March 28, 2025
Total Project Investment	\$1,350,000.00
Remaining Investment to Complete Project	\$1,350,000.00
Estimated Qualified Rehabilitation Expenditures	\$1,160,000.00
Ohio Historic Preservation Tax Credit Requested	\$250,000.00

Applicant Information	
Applicant Company	
Applicant Name	James Lawrence
Applicant Title	Secretary
Mailing Address	1300 E 9th St
City	Cleveland
State	Ohio
Zip	44114
Telephone	(330) 730-6875
Email	jameslawrence@orianahouse.org
Ownership Status	Fee Simple Owner
Tax Class (LLC, S-Corp, C-Corp, Partnership, Individual, Other)	C Corporation
Ohio Secretary of State Charter Number	

Project Contact Information	
Contact Name	Lauren Burge
Contact Title	historical architect
Mailing Address	1300 E 9th St
City	Cleveland
State	Ohio
Zip	44114
Telephone	(330) 351-5201
Email	lburge@perspectus.com

Description and Scope of Project

Project Overview and Goals

The Akron Soap Company Building is a late 19th heavy timber and red brick industrial building located just north of the downtown Akron Central Business District. After decades of neglect it was rehabilitated in 2016 for office use. However, since 2020 the market has changed and office use is no longer in demand. New owners plan to adapt the building for residential use creating 10 new [REDACTED] units on the first and second floors.

History of Project Property

The Akron Soap Company building represents the development of manufacturing in Akron from the late 19th and early 20th centuries. It illustrates changes from a craft-based family business, to an industrial corporation. It is representative of the late 19th century industrial building type, in both its construction methods and its location near an important railway. The building was constructed in 1893 by Adam Duncan for his enterprise, The Akron Soap Company. The products were sold throughout Ohio, Michigan, Indiana, Pennsylvania, and New York. The facility produced about 1,125,000 pounds of soap per week. The Duncan family would be associated with several successful enterprises in Akron, and were among the leading entrepreneurs of the early 20th century.

Economic and Community Benefits

According to a market study conducted by the Downtown Akron Partnership, the supply of market rate housing has not kept pace with demand. "From 2011 to 2022, there was an increase of around 6,000 renter households earning more than \$50,000 annually, but fewer than 2,000 market rate apartments were delivered. Downtown could support around 1,200 new units over the next ten years." Because of the changes in office use and remote work, downtown retail has seen a downward trend in activity since 2020. The development of new housing will help fill the gap in activity caused by increased office vacancy and will support a 24 hour downtown.

Anticipated or Secured Tenants

[REDACTED]
[REDACTED]
[REDACTED]

Project Scope

The Akron Soap Company Building was constructed in 1893. It is a brick masonry building with a gabled roof form and a timber structural frame. It consists of two sections, a two-story wing to the east and a three-story section to the west. It has a basement under both sections. It is located on a site north of downtown Akron, Ohio. It shares a site with the Federal Warehouse Company Building, constructed in 1920. The site slopes downward to the north and the basement is partially open to grade. In 2013, it was rehabilitated and converted to office use. That owner, White Hot Properties, later converted the third floor of the building to an apartment and subdivided some of the office space on the second and first floors. In 2022 a new owner, Correctional Health Services, purchased the building. The new owner proposes interior renovations to convert the building from office use to eleven residential units. Work will be limited to interior spaces and modifications to existing doorways. Roof, windows and exterior masonry work was already completed in 2013. The underground drainage system will be inspected, and any broken or undersized sections will be replaced. Connections from the downspouts to the underground system will be re-established. The building has a foundation of large stone blocks held in place by concrete under pinning retaining walls. The exterior walls are 3 wythes of brick. New openings will be cut into the former elevator shaft wall on the south side to connect the corridors between the two buildings and provide code required exits. One new opening will be cut on the first floor in the masonry between the two story and three story sections. The brick and stone masonry will remain exposed on the interior. Most of windows in the building were installed in 2013. All windows are in good condition.

Exterior doors were installed in 2013. The original structural system consists of wood timbers, columns, beams and roof trusses. They are in good condition, having been restored in 2013. New partitions will be added to the first and second floors for divisions to create individual apartments, bedrooms and bathrooms. Some of the newer office partitions will be removed. The apartment layout on the third floor will remain as it is. No changes are planned for the basement level spaces. The wood stairway along the south wall is original to the building. It is in fair condition. The stairway in the northeast corner of the three-story section is new, built in 2013, and is enclosed in a fire-rated gypsum board wall system. In 2013-2021, new doors, a mix of wood flush doors and rolling metal clad doors were installed in the newer partitions. New borrowed light windows were installed in new partitions in conference rooms in 2013-2021. They consist of glass panels in wood frames. Doors will be reused or removed as needed for the apartment use. Borrowed light windows will be removed. New doors needed in the apartments will be plain flush wood doors. Newer interior trim, and base boards were installed in 2013. Trim will be supplemented as needed for new baseboards and door trim in the same manner as existing. The staff break room cabinets will be removed. New apartment units will have new kitchen cabinets. The building historically had no finished ceilings. The underside of the flooring and roof deck were originally exposed, as well as the roof trusses. When the previous owner converted the third floor to residential use, new gypsum board ceilings were installed directly to the underside of the floor joists at the second floor to conceal plumbing and provide sound isolation. The gypsum board was neatly installed, leaving the wood timbers exposed. Roof deck and trusses will remain exposed. The underside of the third floor will remain covered with gypsum board. The underside of the second-floor structure will be covered in a similar manner to conceal plumbing and provide sound isolation. Gypsum board will be installed between the timbers and will have a smooth finish, painted. The 2013 renovations included new subflooring and wood look LVT flooring. There is a small area of ceramic tile at the north entry. The basement floors are concrete. The existing flooring will be retained. New electrical service, distribution circuits, outlets and lighting were installed in 2013. New circuits will be added to support the new residential use. Wiring will be concealed in the new walls and above ceilings as much as possible. Where needed on exposed ceilings or against masonry walls, it will be run neatly in conduit and painted to match the adjacent surface. New lighting will be installed. It will be simple, contemporary but compatible, in style. It will consist largely of pendant lights and track lights. No changes are proposed for the exterior lighting. The building received new plumbing systems in 2013. The building does not have existing fire suppression systems. There is a fire suppression system in the adjacent Federal Warehouse Building. Newer plumbing systems on the first and second floors will be removed. New plumbing systems will be installed to support the new kitchens and bathrooms. Supply and waste lines will be concealed in new walls and above ceilings. A new fire suppression system will be installed throughout the building. Wherever possible it will be run inside walls and above ceilings. Where exposed, it will be run neatly and painted to match the adjacent surface. The building received a new HVAC system in 2013. It consists of a variable refrigerant flow (VRF) system. With a VRF system most of the heating and cooling delivered via piping to electric heat pumps located throughout the building. The condenser portion of the system is located on the roof of the adjacent Federal Warehouse Building. A limited amount of exposed ductwork exists to provide fresh air. The VRF system will be retained, and new wall mounted cassette style heat pump units will be installed in the new apartments. New ductwork will not be needed. All of the system connections will be made via small line sets that will be concealed above ceilings and within the new walls. New systems will not have a visual impact on the exterior of the building.

Major Factor Information

The issuance of a tax credit is a major factor in the applicant's decision to:

Rehabilitate the historic building(s)

Please explain why the tax credit is a major factor in the decision to rehabilitate the historic building(s):

The building is in good condition,

This is a substantial investment, and is not feasible without the availability of the tax credits. A previous developer had planned housing for the building, but could not make the proforma work. The availability is a major factor in the decision to rehabilitate the historic building for new use.

Please indicate if any major rehabilitation work has commenced at the property, beyond stabilization or abatement:

No rehabilitation work has commenced at the building other than in-kind repairs to maintain the HVAC system.

Applicant Fee	
Amount of Application Fee	\$750.00
Date Application Fee Was Mailed/Delivered	
Name on Check	Correctional Health Services

Section B – Rehabilitation Information

Rehabilitation Information	
Staging	
Type of Project	Combined State and Federal Project
Type of Historic Designation	
Name of Historic District (if applicable)	
Building(s) have Certified Local Government (CLG) Designation?	false
Date Federal Part 1 Submitted to the State Historic Preservation Office (SHPO)	August 31, 2023
Date Federal Part 2 Submitted to the State Historic Preservation Office (SHPO)	August 31, 2023

Section C – Scoring Criteria

Regional Distributive Balance	
Jurisdictional Balance	More than 8 Projects
County Per Capita	More than \$40
Benefit to Low-Income in Jurisdiction	20 - 24.99% poverty
Benefit to Low-Income in Census Tract	40 - 49.99% poverty
Benefit to Unemployed in County	Unemployment within 1% of Ohio rate

Potential Economic Impact	
Leveraged Investment	5.1 to 6.0
Will other state-administered funding be awarded or sought for the project?	No
Timeliness to Completion	5
Physical Scope and Construction	10,000 to 19,999 square feet
Local Participation and Support	Indication of Local Support AND Financial Commitment
Vacant Property	13
Job Commitments	4

Financing Committed

Federal Historic Preservation Tax Credit	\$232,000.00
Ohio Historic Preservation Tax Credit	
Private Sources	
██████████	██████████
Public Sources	
Other Sources	
Total Financing Committed	
Percentage of Financing Committed	100% of financing in place

Section D – Cost Benefit Analysis

Property Market Value and Proposed End Use	
Current Market Value of Property	\$105,000.00
Future Appraised Value, Post-Construction	\$1,400,000.00
School District	Akron City Schools
Will the project utilize the charitable property tax exemption?	No
End Use of Property, Post Construction Percentage (%)	
Office	12.00 %
Retail	
Restaurant	
Hotel	
Residential	88.00 %
Institutional	

Construction Jobs		
Construction Year	Full Time Employees	Hourly Wage
1	████████████████████	
2	████████████████████	
3		
4		
5		

Operations Jobs

Operations Year	Full Time Employees	Hourly Wage	Receipts
1			
2			
3			
4			
5			

Tenant Jobs			
Operations Year	Full Time Employees	Hourly Wage	Receipts
1			
2			
3			
4			
5			

Residential Units		
Operations Year	Number	Income
1		
2		
3		
4		
5		

Hotel Rooms/Keys			
Number of Hotel Rooms/Keys			
Operations Year	Average Occupancy	Average Daily Rate	Receipts
1			
2			
3			
4			
5			

Scoring

Scoring Results	
Applicant Self Score	