

Brownfield Redevelopment in New Jersey

RACER's experience/perspective

RACER Trust is currently working on the cleanup and redevelopment of its Ewing Township, NJ site. Below is some perspective on the work RACER is doing to cleanup and facilitate redevelopment on the project and how that work supports and interacts with the developers responsibilities. If additional information is desired, Bruce Rasher (brasher@racertrust.org) can respond to transactional questions, and Robert Hare (rhare@racertrust.org) can respond to environmental questions. Additional information and documents referenced below can be found on the RACER Trust website at www.racertrust.org.

RACER Trust was formed out of the bankruptcy of General Motors Corporation and assumed funding and responsibility for cleanup, along with a clear objective of promoting redevelopment, of this former GM manufacturing site. The mandate included cleanup to achieve regulatory closure to non-residential criteria and to position the site for reuse to maximize the benefit to the community.

RACER is in the process of achieving cleanup to the non-residential regulatory end-points consistent with the funding provided and a bankruptcy Settlement Agreement signed by the State of New Jersey. The highest and best use of the property, which is supported by the community, is mixed use (residential, commercial/retail, live-work space). This use requires further, incremental remedial action by the buyer to achieve the NJDEP more restrictive residential cleanup criteria. The buyer has indicated that they expect to utilize NJDEP pre-approved remedial methods, called Presumptive Remedies (i.e., clean soil capping) to achieve many of their obligations, along with some limited excavation, but ultimately they will be working separately with the NJDEP to determine the incremental efforts needed to satisfy the NJ requirements for the intended use. Note that the cost to perform any additional remediation will be funded by the buyer out of the transaction; i.e., no contribution from the seller, or public sources of financing will be used.

Post-closing and beyond, after development is complete, both RACER Trust and the buyer will have long term obligations for maintenance and monitoring of the remedial actions that were implemented. Funding for their respective monitoring efforts will be borne by each party separately.