



Case Study:

SALINA INDUSTRIAL POWERPARK

1 GENERAL MOTORS CIRCLE, SALINA, NY 13206

FACTS

Site ID: 10100

Acres: 78.46

SF at Time of Sale: 805,860

FMV: \$3,500,000 (assessed valuation)

Congressional District: NY-24

Date Sold: August 18, 2020

Buyer: SIP Syracuse LLC

End-User(s): Multiple (multi-tenant industrial space)

New Use: Continued use as multi-tenant industrial space

Jobs Pledged: 190

Jobs Actual: 425 at time of sale

Investment Pledged: \$500,000

Investment Actual: N/A

Est. New Tax Base: Existing business; continued use

Regulatory Programs: Subsite of Federal Superfund Site

Remedial Activities: Remedial investigations and feasibility studies were conducted between 1997 and 2020. The former GM Corp., acting under a New York State Department of Environmental Conservation Order on Consent, implemented several

Interim Remedial Measures to prevent waste oils containing PCBs from migrating off the property. These steps were implemented between 2002 and 2006, and consisted of excavation of subsurface PCB-containing soils from a former drainage swale, construction of a storm water collection and treatment system and construction of a landfill cap. A sub-slab vapor intrusion mitigation system to address the impacts of subsurface contaminants was installed by the former GM Corp. in 2010 and is operated and maintained by RACER Trust. RACER Trust also operates and maintains the on-site storm water and groundwater treatment plant. Under the direction of the NYSDEC and a 2015 Record of Decision and associated Order on Consent, RACER Trust has remediated PCB-impacted soil from the backyards of residential properties and remediated and restored an impacted wetland on adjacent National Grid utility property. RACER Trust also has undertaken extensive impact delineation on approximately 9,200 linear feet of Ley Creek and associated uplands between Town Line Road and Route 11.

Est. Cleanup Cost at the time of bankruptcy: \$31.1 million



THE CHALLENGE:

The Salina Industrial Powerpark was repurposed as multi-tenant space in 2006, more than a decade after the former GM Corp. ceased manufacturing at the facility. RACER Trust assumed ownership in 2011, following the GM bankruptcy. The property was less than half occupied and showing the effects of years of deferred maintenance. Environmental impacts necessitated installation of a sub-slab depressurization system to address indoor air quality. The challenge was to make the property attractive to prospective new tenants and buyers by improving the asset condition of the building, increasing occupancy, improving the quality of leases, and increasing the NOI for an investment sale.

THE OUTCOME:

With the assistance of a locally based property management and brokerage firm, RACER Trust made capital investments to improve the asset condition of all major building systems and aggressively marketed the space to prospective tenants. RACER Trust increased occupancy to approximately 70%, improved the quality of leases and NOI, and positioned the property for a successful investment sale. The locally based buyer is experienced in operating and managing multi-tenant properties, and this outcome was welcomed by local elected officials who are supportive of the buyer's stated intentions to invest in attracting additional tenants to the property. By the end of 2022, the buyer has increased the net number of tenants as well as the building's occupancy to an impressive 89%.



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