



Case Study:

MUNCIE INDUSTRIAL LAND

1200 WEST EIGHTH STREET, MUNCIE, IN 47302

FACTS

Site ID: 13160

SF at Time of Sale: N/A (vacant land)

FMV: \$14,472 (5.109 +/- acres)

Congressional District: IN-06

Date Sold: November 29, 2017

Buyer: Commonwealth Development Corporation of America

End-User(s): Fourteen91 Lofts

New Users: Affordable, multi-family housing (35 townhouse rental units)

Jobs Pledged: 2

Jobs Actual: 2

Investment Pledged: N/A

Investment Actual: \$5,500,000

Est. New Tax Base: \$4,400,000

Lead Agency: IDEM

Regulatory Programs: RCRA Corrective Action

Remedial Activities: The new housing units were built at/near a former employee parking lot that had no impacts, and therefore no remediation was necessary. RACER Trust conducted soil and groundwater sampling related to the development and recorded an environmental restrictive covenant and environmental easement agreement.

Est. Cleanup Cost: \$17,000

BEFORE



AFTER



THE CHALLENGE:

The former GM Muncie transmission plant property consists of 66.52 +/- acres, including several paved parking lots, and had been used in manufacturing for more than 100 years. Though RACER Trust is funded and mandated to achieve industrial-level cleanups, it works with all prospective purchasers to evaluate whether a proposed reuse is technically feasible and to determine whether the prospect will, if necessary, commit resources required to achieve a residential reuse standard. RACER Trust was approached by Commonwealth Development Corporation of America, a Wisconsin-based developer of affordable housing, with interest in this Property. RACER Trust was able to identify a portion of the Property with significant road frontage that met the residential use criteria without a need for additional cleanup. With no active prospect for the purchase of the entire Property by a single entity, and with support from local elected officials, RACER Trust subdivided the desired acreage and sold it to Commonwealth Development. RACER Trust continues to market the remaining acreage for sale and beneficial reuse.

THE OUTCOME:

RACER Trust worked with Commonwealth Development, U.S. EPA Region 5 and the State of Indiana to obtain the necessary assurances and incentives for the sale and redevelopment to proceed. Specifically, Commonwealth Development received a Prospective Purchaser Agreement/Covenant Not to Sue from the U.S. EPA, an added layer of protection on top of the assurances provided by RACER Trust and its enduring environmental obligations, and affordable housing tax credits from the state for this project and a nearby renovation, which also qualified for historic preservation tax credits. Fourteen91 Lofts, a 35-unit, multi-family affordable housing development in three buildings, opened in October 2018 and was almost fully occupied by May 2019. The development has been a catalyst for revitalization on the southside of Muncie, where local officials and philanthropic leaders have invested in blight removal and construction of new playgrounds and ballfields to attract young families. In addition, Commonwealth Development has partnered with local institutions including the YMCA of Muncie, Ball State University, and Open Door Health Services to provide information and resources to help tenants improve their health and well-being.



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