



Case Study:

FAIRFAX INDUSTRIAL LAND I

100 KINDELBERGER ROAD, KANSAS CITY, KS 66115

FACTS

Date Acquired: 3/31/11

Acres: 74

SF at Time of Sale: 0

FMV: \$2,220,000

Congressional District: KS-03

Date Sold: September 26, 2013

Buyer: Fairfax 74, LLC (an affiliate of NorthPoint Development)

End-User(s): GM; Plastic Omnium Auto Inergy

New Use: Central Industrial Park, with up to 1MM SF of new manufacturing space

Jobs Pledged: 2,000

Jobs Actual: N/A

Investment Pledged: \$40MM

Investment Actual: N/A

Est. New Tax Base: \$29.28MM

Lead Agency: KDHE

Regulatory Programs: Consent order signed by RACER & KDHE

Remedial Activities: Pre-closing supplemental investigations; 2 post-closing soil excavations totaling approx. 20K CY; post-closing landfarming the excavated soils for 2 years on site; recorded Environmental Use Control/ Deed Restriction; KDHE's "Final Decision," specifying steps to secure a NFA designation, was issued in January 2018.

Est. Cleanup Cost: \$4,786,321

BEFORE



AFTER



THE CHALLENGE:

GM purchased the Property, which is located adjacent to the Missouri River in Kansas City's industrial Fairfax District, from the U.S. Government in 1960 and continued automobile assembly operations at the site until the late 1980s. GM operated up to 2.2 million SF of manufacturing space in several buildings. Though the buildings were demolished by GM in 1987, GM held the Property vacant. After its bankruptcy, GM invested approximately \$800 million to modernize its Kansas City plant, which is located adjacent to the former RACER Property. This investment, along with GM's supplier location strategy, created an opening for RACER to market its Property as a supplier park. However, RACER needed to find a way to overcome the stigma attached to the Property due to its environmental condition and years of vacancy.

THE OUTCOME:

RACER conducted an aggressive marketing campaign to

solicit interest and offers from companies with the capacity for development projects of the type and scale envisioned for the Property. RACER contacted more than 60 firms before selecting NorthPoint Development, which is undertaking its first brownfield redevelopment. Proximity to an operating GM plant makes the site a prime location for auto parts suppliers. NorthPoint broke ground in December 2013 for up to 1 million square feet of new industrial development, called the Central Industrial Park. Most of it will be constructed on a build-to-suit basis. The project is expected to create 2,000 jobs at full build-out. In 2015, construction was completed on the first building, a 74,000-square-foot manufacturing facility occupied by Inergy Automotive Systems, a global supplier of plastic fuel tank systems. Remediation activities conducted by RACER are coordinated with the owner's development plans to minimize impacts on construction and facilitate ongoing development and job creation.



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