

Exploring Strategies for Sustainable Redevelopment of Industrial Properties from the Corporate Perspective

Redevelopment Trailblazers Webinar Series

Friday, April 19, 2024

12:00 PM EST



Agenda

- Welcome - Overview
- Speaker and Respondent Introductions
- Presentation
 - Wilmington, DE
 - Oakley, CA
 - Beaumont, TX
- Audience Q&A
- Wrap Up



Overview

The Secret Sauce

- An in-depth reuse assessment to determine opportunities, constraints, and developable area was conducted for each site prior to contacting the market about the opportunity
- Consensus built internally around site challenges and opportunities
- Proposed terms were prepared, agreed upon internally, and communicated through an Expression of Interest package detailing site issues and opportunities
- For complex surplus properties, terms drive price
- Key factor in selection of buyer is an entity with sufficient assets, a viable reuse with long-term income potential, and a track record of successful and timely implementation

Speakers



Greg Townsend
The Chemours Company



Sebastian Bahr
The Chemours Company

Chemours' Approach to Brownfields Property Disposition

- We work proactively with former operating sites (FOS) & other operating sites that come available, via business restructuring, through protective remediation and ultimately, to return the sites into productive new uses.
- We have limited internal resources, using variable outside resources to support transactions and to provide expertise/bandwidth
- We approach each opportunity - including legal, real estate, remediation, business personnel, & FOS lead - in strategy discussions and implementation
- FOS leader, remediation, & enviro counsel currently report through Legal organization
- We are generally open to consider options for redevelopment that may include integration of remediation
- Our sites were all deed restricted industrial/commercial (by DuPont at spin)
- > 95% of our sites are U.S. based and tend to be large former chemical and polymer manufacturing sites
 - No office parks, existing residential, or shopping centers.

Edgemoor Wilmington, DE

Edgemoor Overview

- New Castle County, DE
- 112+ acre property
- Former titanium dioxide manufacturing plant
- RCRA site under DNREC
- Minimal wetlands and floodplain areas
- Excellent multi-modal access



Edgemoor Disposition Considerations

Timing of Disposition

- Pre or post decommissioning and demolition
- Pre or post DNREC approvals

Disposition Structure

- Possible transfer of assets and permits
- Liability transfer options

Stakeholder Relations

- Corporate considerations
- State, local, and union concerns

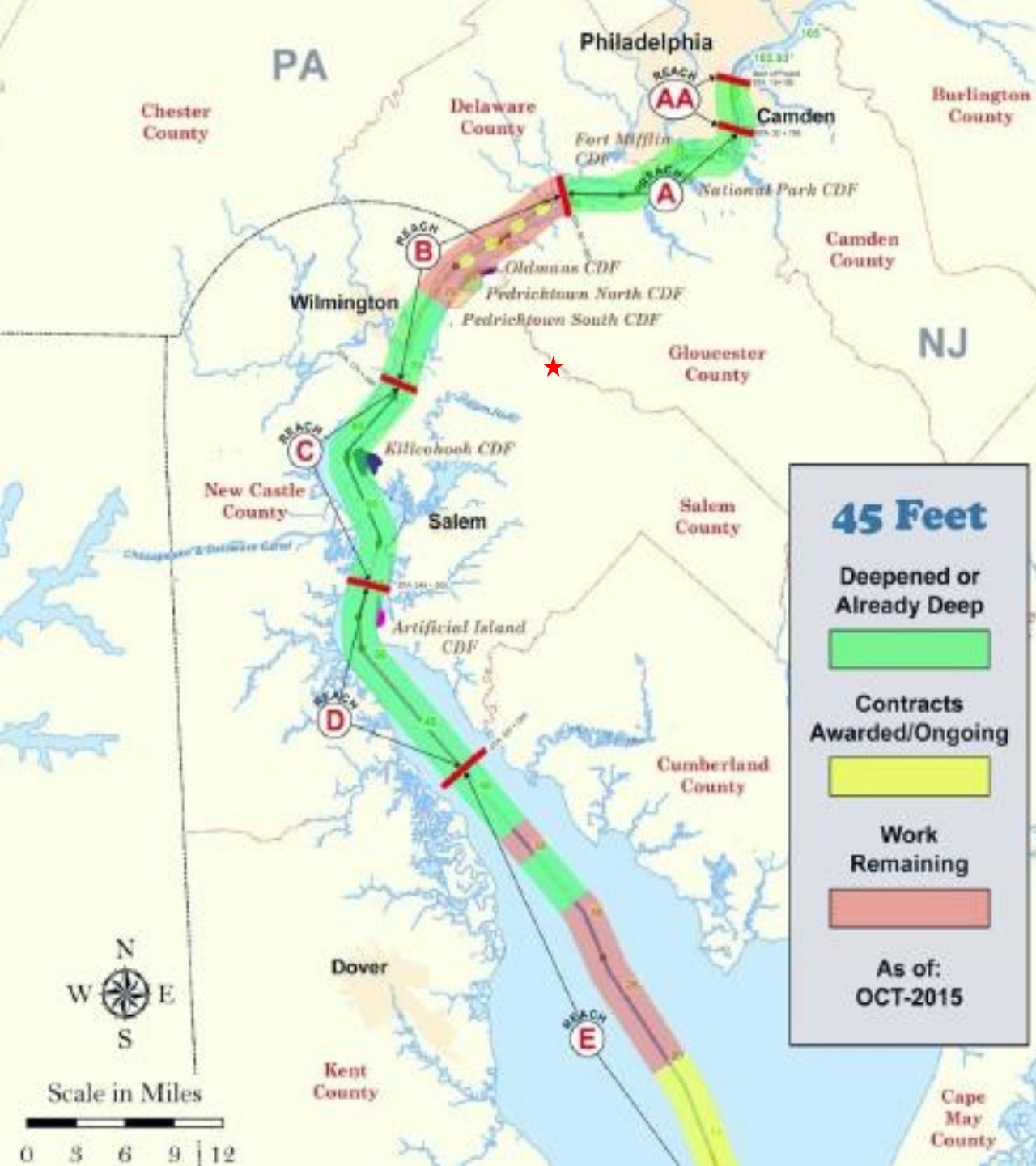


Edgemoor Infrastructure



Site had over 35 buildings, wastewater treatment system, 3-bay water tower, specialized infrastructure and utilities. Additionally, it had rail assets and waterfront access.

Edgemoor Waterfront Access



Channel depth 45'





Environmental Status at Time of Sale

Completed:

- **Ponds A, B, C, and D**
Neutralization and stabilization (2002)
- **Post Closure Care Plan**
Groundwater monitoring, maintenance of institutional controls, inspections
- **Land Use Restrictions**
Cap must be protected
- **Corrective Measures Study** conducted & submitted (2013)

Remaining:

- Wastewater treatment pond & holding basin will require closure
- Pond F will require closure



Confidential EOI Process

- The Edgemoor EOI process produced 11 interested parties and 3 Final and Best Offers
- Ongoing communications with State of Delaware and Port of Wilmington
- Factors considered included: new productive use for the site; job creation potential; asset transfers; environmental liabilities transfer; other.

Edgemoor Deal Structure

- Diamond State Port Corporation, operator of the Port of Wilmington, was the Buyer
- Buyer assumed ongoing responsibilities in the RCRA Post Closure Care Plan and certain ongoing environmental responsibilities arising from Chemours' closing of the site
- Buyer accepted property with remaining industrial assets & buildings and completed demolition of facilities
- Buyer obtained Pollution Legal Liability (PLL) Insurance policy for the site and added Seller as second named insured

Oakley, CA

Site 1980's

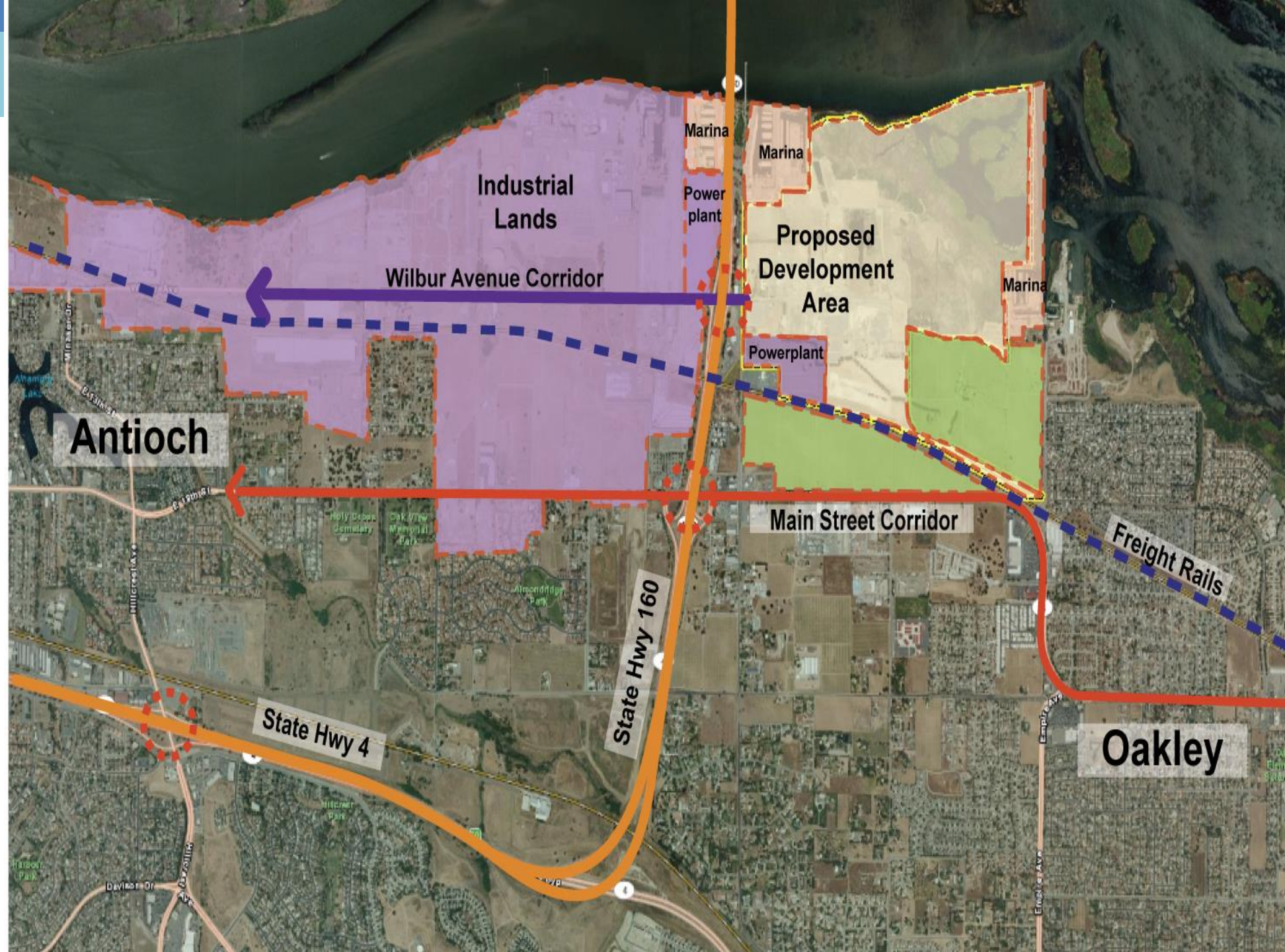


Site Today



Located in the eastern Contra Costa County growth area:

- Key site for redevelopment of the Wilbur Avenue Corridor
- Significant infrastructure resources and industrial assets
- Easy access to rail, water and highway transport corridors



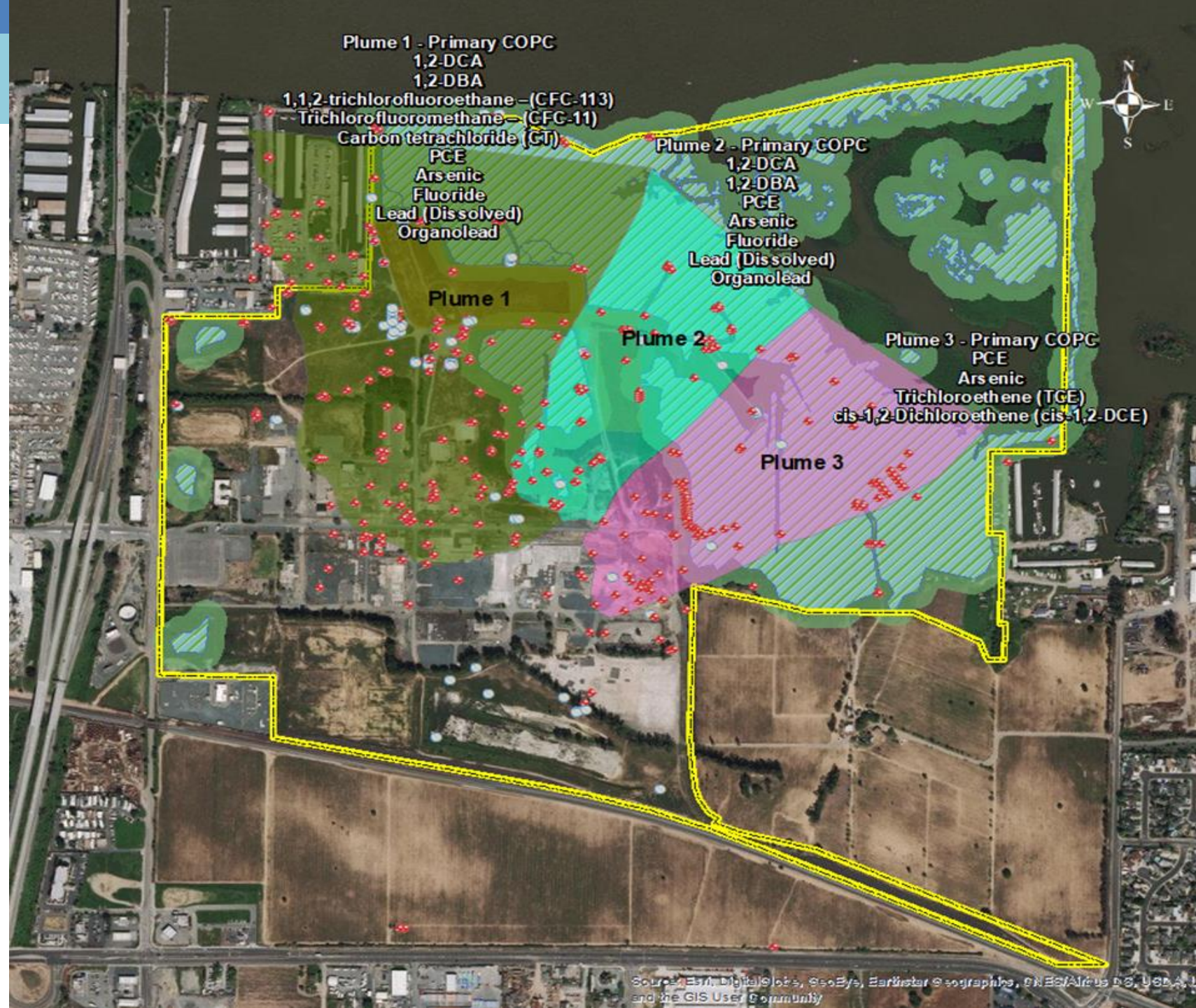
Challenges and Options

Major challenges on the site:

- Groundwater contamination separated into 3 plume areas
- Soil contamination

Sellers options:

- Sell the site “as is, where is” or conduct environmental cleanup



Oakley, CA

In depth Reuse Assessment yielded significant value



Developable area pre-reuse assessment – 70 Acres



Developable area post reuse assessment – 350 Acres



1.7 Million sq ft
Buildings



Results of In-depth Reuse Assessment

- 150 Developable Acres
- Generally flat
- 218 acres of San Joaquin Delta wetlands suited for preservation
- Growing East Bay region
- Excellent highway access
- Significant available infrastructure

Final Built Out Image 1.7 Million Sq. Ft.



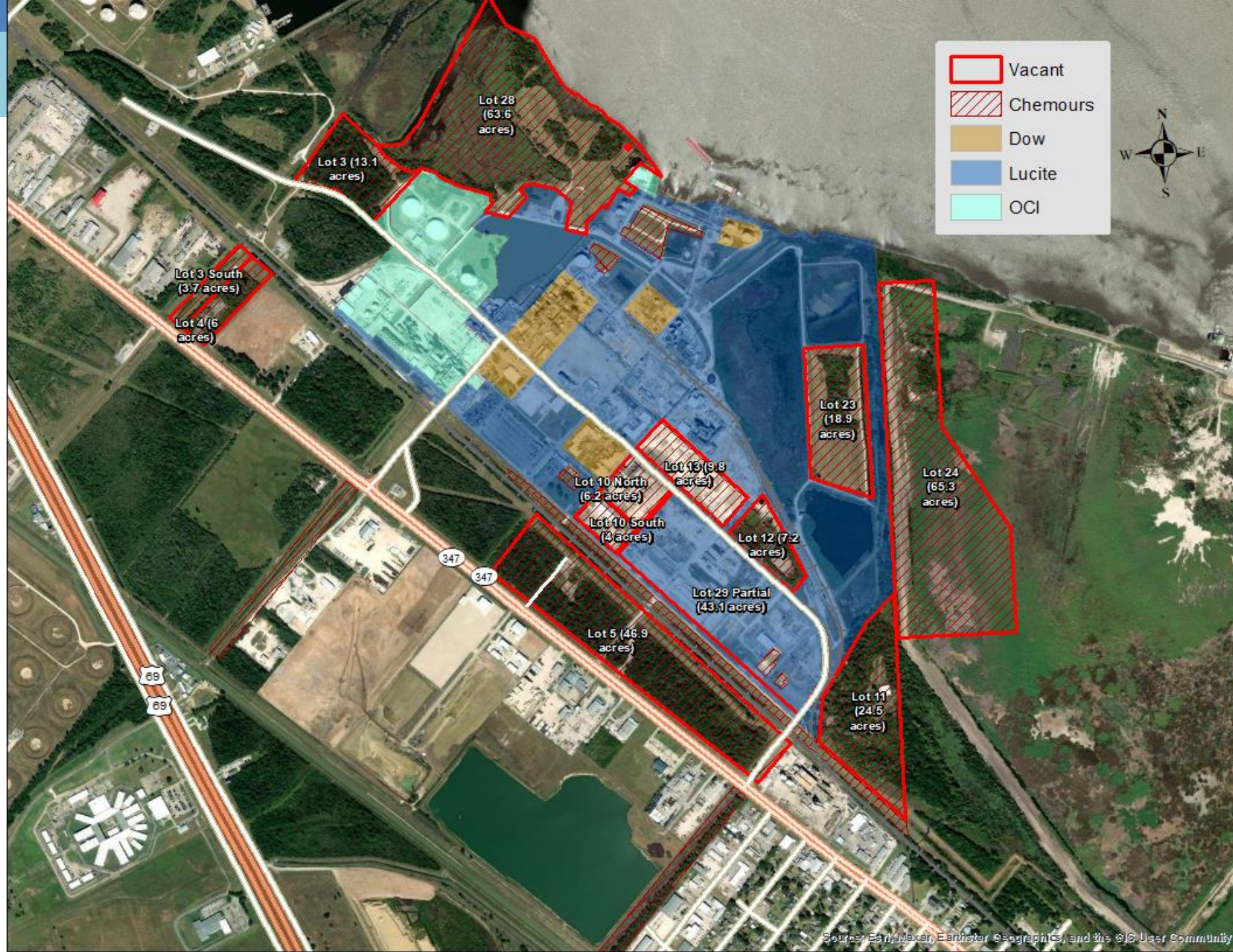
- Through a structured disposition process, found buyer with strong track record and expertise
- Agreement on cleanup and environmental responsibility/liability roles
- **Site transferred September 2019**

Beaumont, TX

Beaumont, TX

- 606 total acres
- 125 developable acres
- Deep water access
- Excellent rail service
- Close proximity to I-10
- Serviced by all major utilities
- Active industrial park
- Part of the larger 793-acre Beaumont Works Industrial Park
- Industrial use since 1954





Site Historical Evolution

In 1951 DuPont purchased farmland on site

In 1991 DuPont sold its methanol plant

In 2006 Lucite, one of the primary tenants, assumed the role of owner/operator for services and infrastructure (dock, rail, safety, security, water, steam, etc.)

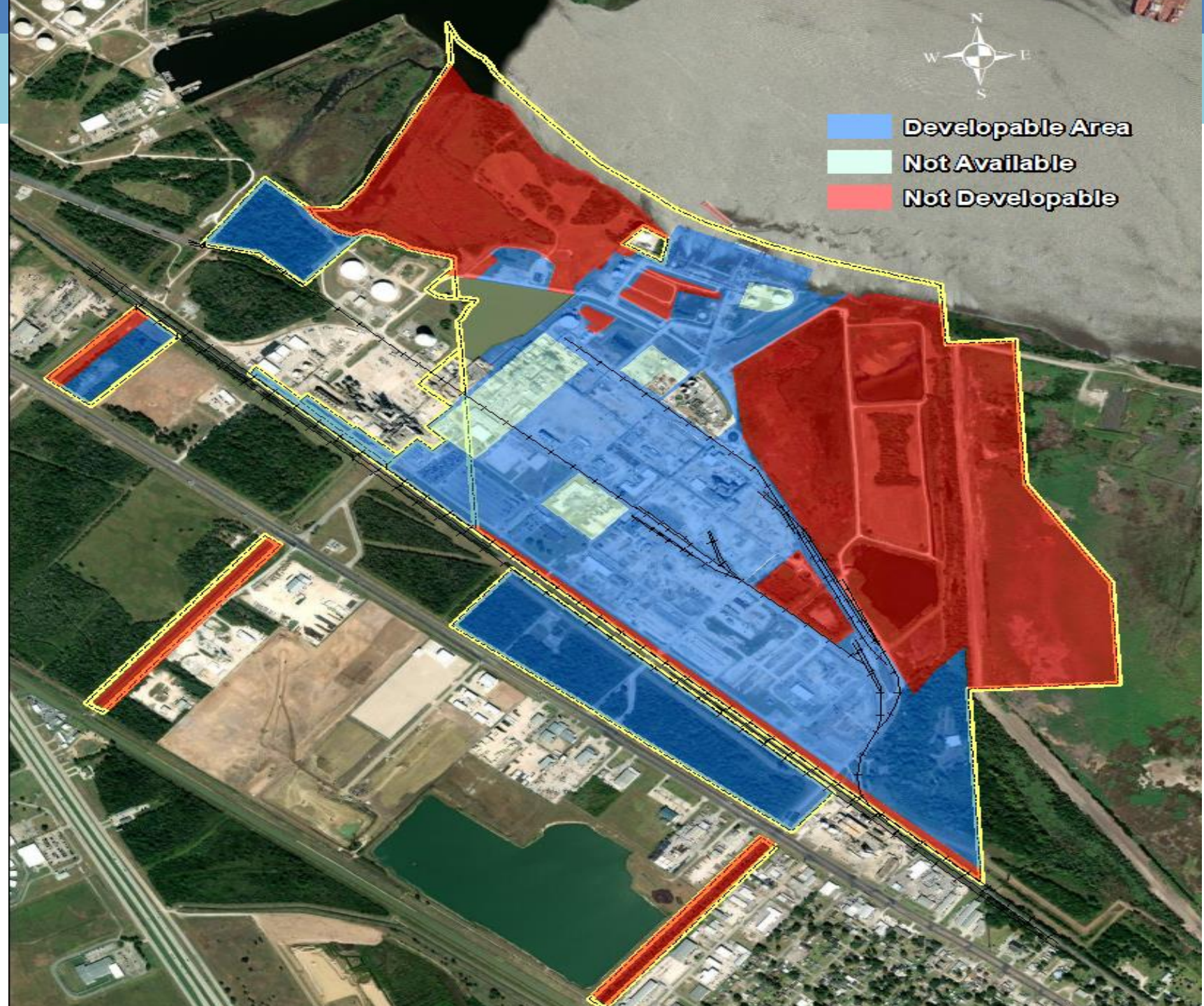
In 2016 Chemours sold its remaining Aniline business to Dow

In 2020 Lucite announced it would be closing operations in 2021

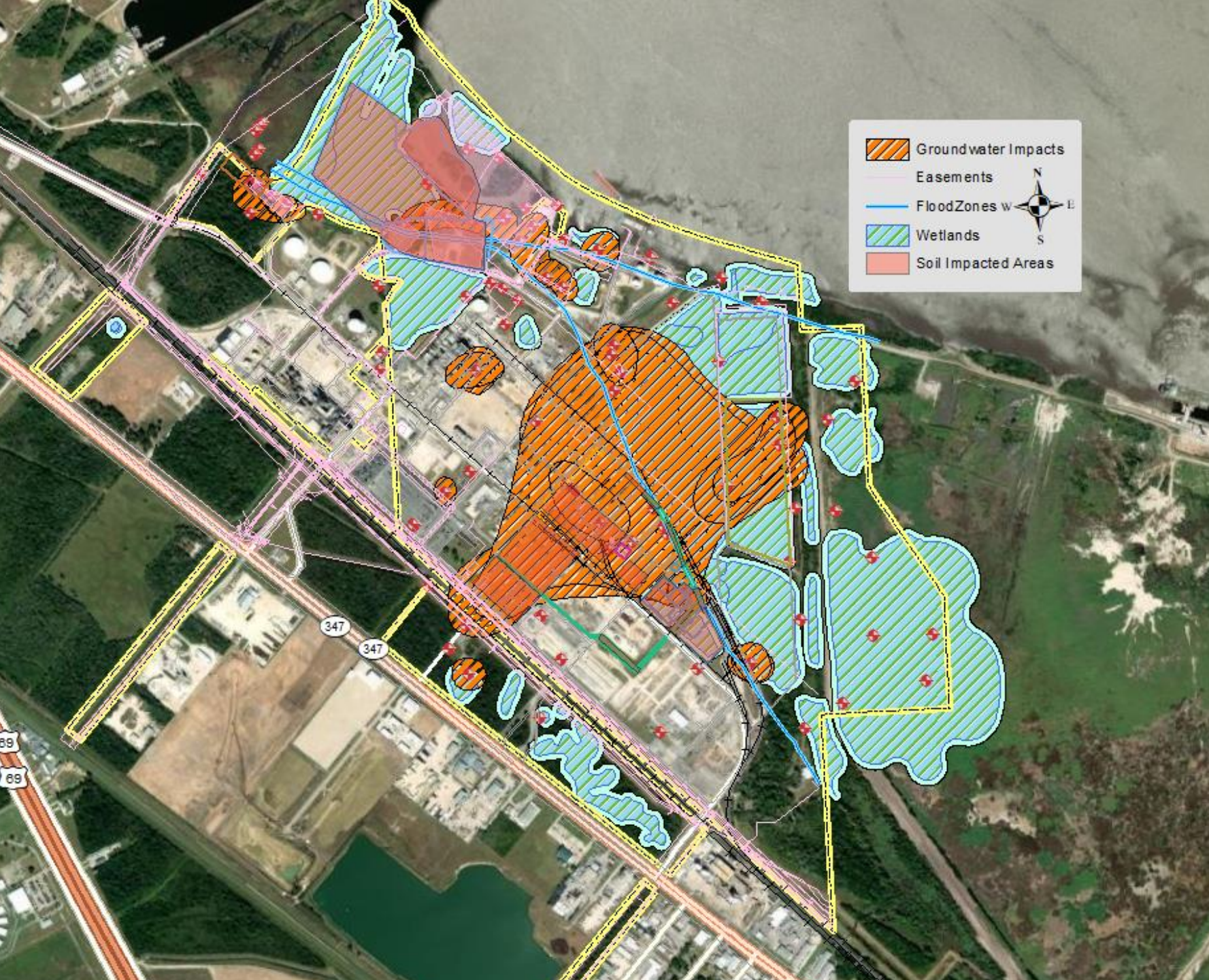
With Lucite leaving, total developable area available controlled by Chemours becomes ~360 acres



Comprehensive GIS analysis on opportunities and constraints led to clear discussion with buyers on what land was available.



Site Constraints



Easements

- Waste Material Disclosures
- Road Easements
- Pipeline Easements
- Reciprocity Agreements

Physical Characteristics:

- Access
- Wetlands
- Flood Plain
- Barge Dock
- Services Agreement

Environmental

- Capped Areas
- Known Soil Contamination
- Potential Soil Contamination
- Groundwater

Other Constraints

OCI 5-Year Option (Executed 2016)

- Purchase (~5.5 acres)
- Easement (~4.2 acres)

Lucite 5-Year Right of First Refusal (Executed 2016)

- Purchase Lots 5 & 11
- Lease Lots 10North, 10South & 13

Current Lucite Lease (Lot 29 Partial)



Disposition of Beaumont

- Sold in 2021 to FTAI Energy Partners, an affiliate of Fortress Investment Group
- Operations continue on site for existing chemical players
- Portions of the site to be developed for industrial, rail, port and logistics center
- Purchase transaction included discussions & resolution of infrastructure assets



New Owner's 200 MW Green Hydrogen Plan

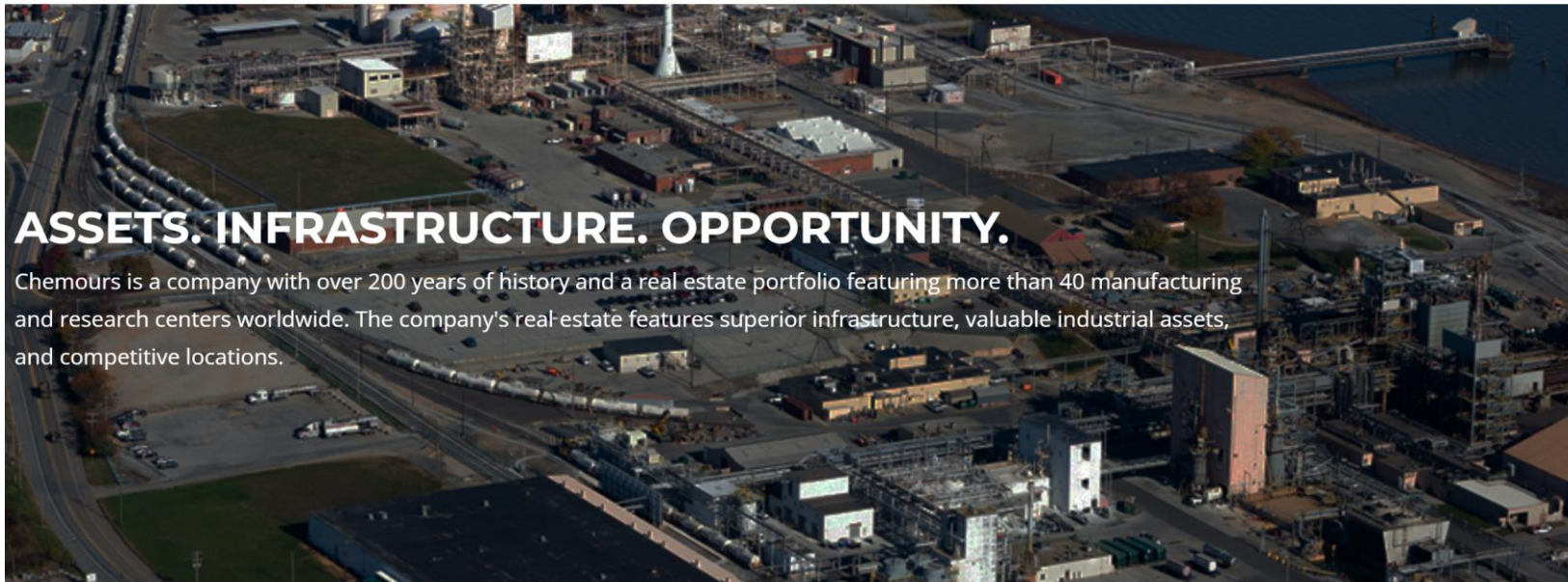


- Production of more than 100 tons per day (TPD) of green hydrogen
 - Using electrolyzers from Plug Power
 - Renewable power supplied by Entergy
- Scalable to nearly 500 megawatts
- \$3.00/kg tax credit provided by the Inflation Reduction Act
- Strategically located on Neches River with proximity to industrial end users

Website for Chemours' available real estate properties



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ASSETS. INFRASTRUCTURE. OPPORTUNITY.

Chemours is a company with over 200 years of history and a real estate portfolio featuring more than 40 manufacturing and research centers worldwide. The company's real estate features superior infrastructure, valuable industrial assets, and competitive locations.

This website is a central location for site selectors, developers, and end users to find surplus land and facilities currently available for sale or lease from Chemours. We encourage you to contact us to learn more about these opportunities.

Properties For Sale

Properties For Lease

<https://www.industrial-portfolio.com/>

IP INDUSTRIAL-PORTFOLIO.COM

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Spelter, WV

- 96 +/- acres
- Industrial land use
- Subdivision opportunity
- 5 miles to I-79
- Existing infrastructure

The property owner seeks to identify developers or end users interested in the acquisition and redevelopment of a

Property Fact Sheet:

[View Fact Sheet](#)


Contact:

[Contact Us for More Information](#)

Additional Photos:





PROPERTIES FOR LEASE



SPELTER, WEST VIRGINIA

OPPORTUNITY
The property owner seeks to identify developers or end users interested in the acquisition and redevelopment of a former operating site located near Clarksburg, WV. The site is within driving distance of Washington, DC, Pittsburgh, PA, and other key eastern cities.

PROPERTY FACTS		
Address		Intersection of County Route 19 and B Street (aka 19/33), Spelter, WV
Total Acreage		96 +/- acres; approx. 53 developable acres, along with 43 restricted acres
Tax Parcels		One parcel; subdivision possible
Current Zoning		Land use regulated by Harrison County
Status	Operations ceased in the early 2000s; all buildings, plant, and equipment dismantled and removed; all remediation activities completed.	



LOCATION & ACCESS
The property is located in a well-connected area with many transportation-related assets.

Region	Northern West Virginia
Neighborhood	Riverfront industrial property; located adjacent to local Rails-to-Trails linear park
Site Access	5 miles to I-79
Airport	15 miles to North Central West Virginia Airport
Water Access	Adjacent to West Fork River

FOR MORE INFORMATION: www.industrial-portfolio.com (888) 508 - 6710

Questions and Answers

Thank You!

Please Join Us for This Future Webinar

Friday, June 21st at 12 PM Eastern: *Reviving Buildings that Create Jobs*

Registration will open as we get closer to this date.

