

WESTON SOLUTIONS, INC.

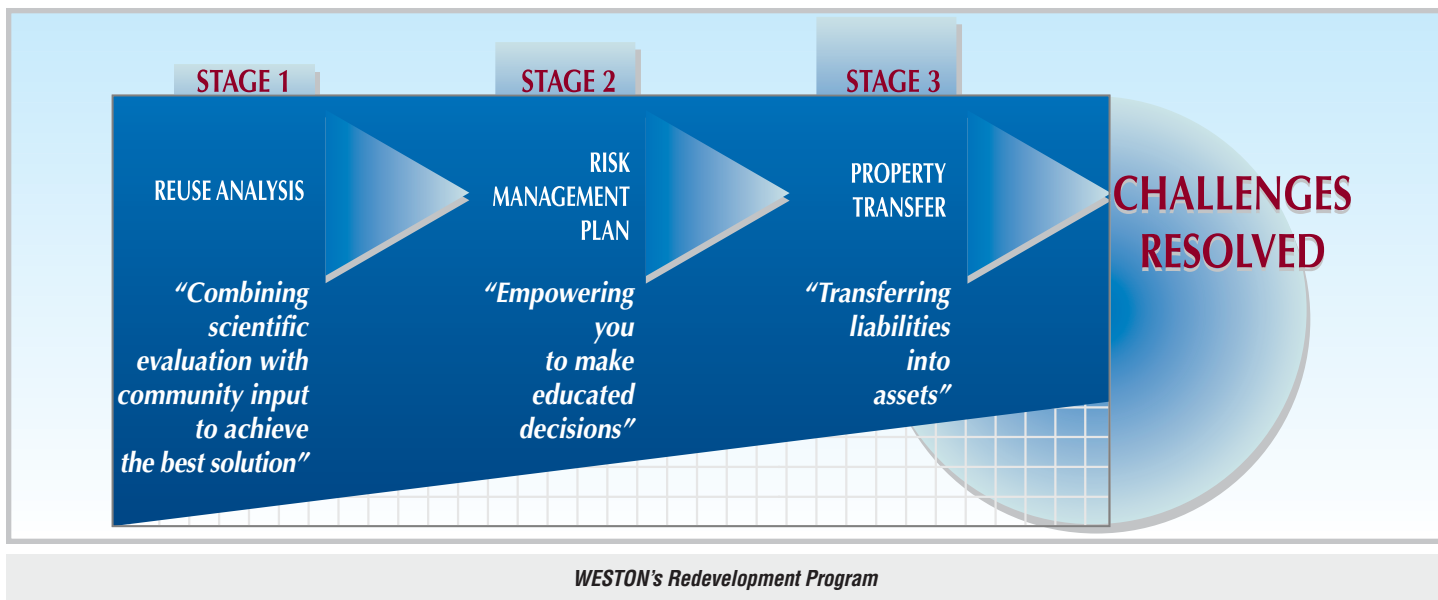
TRANSFORMING LIABILITIES INTO ASSETS

Remediating and Redeveloping
Environmentally Challenged Properties



WESTON
SOLUTIONS®

an employee-owned company



► Restoring Resource Efficiency

Community Acquisition and Disposition of Brownfields

Local communities in the process of acquisition or divestiture of environmentally impaired properties or brownfield sites face unique challenges. Whether these properties are acquired from federal or state entities or from defunct corporations, local decisionmakers are often presented with real estate burdened by significant environmental liabilities. Analyzing, taking possession of, and disposing of such properties requires a high level of expertise. The WESTON team has the expertise to provide total solutions to issues arising from brownfield development.

With today's emphasis on "smart growth," increased interest in urban revitalization, and new federal funding initiatives bringing brownfield development into the forefront of real estate development opportunities, communities face the daunting task of taking possession of environmentally impaired property. Managing brownfield properties through the redevelopment process requires an informed group of professionals that combines hands-on environmental assessment/remediation and risk management experience with real estate development knowledge.

Whether you represent an economic development corporation, or a local government or redevelopment authority seeking to restore brownfield properties to productive use, or are considering taking title to such property from private entities through either condemnation or federal sources, WESTON's team of experts will assist you in identifying SOLUTIONS for your needs.



► Solving Your Toughest Challenges

The WESTON Three-Stage Process

WESTON has developed a redevelopment initiative that identifies, evaluates, and prioritizes potential brownfield development. This innovative three-stage approach is designed to solve your toughest impaired property challenges:

Stage 1 – The first stage of this process is designed to ensure that the needs of our client and other key stakeholders are satisfied. We do this by first preparing a reuse analysis that combines our in-depth environmental evaluation with real estate market and financial analysis to ensure that proposed remediation and redevelopment solutions satisfy regulatory requirements while meeting the client's financial goals.

The reuse analysis also focuses on securing public support to ensure that we provide local officials the opportunity to rally behind an economically feasible and environmentally sound cleanup program. We also help secure regulatory support by providing a basis for negotiating an economically feasible cleanup plan that is focused on the selected reuse alternatives.

Stage 1 promotes cost-effective site development by providing a framework for success while minimizing environmental costs.

Stage 2 – Stage 2 involves preparing a risk management plan. This plan clearly defines the environmental risk issues and outlines the tools and options available to mitigate risk and provide protection to future owners and the public. It also includes a detailed analysis of third-party financing options, as well as opportunities for coordinating both the remediation and redevelopment to reduce overall costs.

The plan is designed to introduce an economic development program demonstrating a sound and cost-effective environmental remedy. The plan ensures that the site cleanup and end-use plan serves as a win-win proposition for you, the regulators, the local community, and potential investors.

Stage 2 of the process also includes the following:

- Cost-effective site characterization.
- Liability insurance investigation.
- Identification of potential redevelopment partners.

The risk management plan provides a quantified, costed understanding of the property liability and empowers our clients to make educated decisions about acquisition or divestiture of the property. This plan allows our clients to present a cohesive and well thought-out action plan to their communities.

Stage 3 – The final stage of our process involves transferring site liabilities into assets by structuring the sale and redevelopment of the property in a timely manner.

This is accomplished through an equity investment with a structured financial arrangement managed by either a major investment house, by WESTON, or by both. This type of arrangement provides the buyer with financial certainty and long-term liability protection.

Liability Transfer Options

The following liability transfer options can be considered:

- WESTON can purchase the property directly.
- WESTON can take ownership of the property through a jointly held entity comprising WESTON, a public partner, and an equity or developer partner.
- WESTON can facilitate identification of a specific end-user and/or developer to participate in the property at an early stage.

► Bringing Benefit

The WESTON Difference

The WESTON difference results in tangible benefits to our clients. These benefits include:

- Maximum savings and quicker return to productive use through integrating environmental remediation and site redevelopment activities and employing risk-based cleanup programs.
- Future liability protection through innovative risk management strategies.
- Enhanced public image as clients are seen as proactive, environmentally responsible corporate citizens.
- Structured financing options that meet the specific needs of the property owner and help ensure the success of the development program.

WESTON'S Redevelopment Program aligns our interests with those of our clients, allowing both parties an opportunity to realize profit if the job is done effectively.



WESTON and the Community: Working Together

Unparalleled Experience

WESTON's exceptional project management of impaired property redevelopment is a winning proposition!

- Over the past 3 years, WESTON has assisted clients in completing more than 2,000 property transfers.
- Over the past 5 years, WESTON has provided over \$50 million worth of remedial design services to our clients.
- WESTON has also provided well over \$500 million worth of waste cleanups, closure, and release abatement associated with property acquisition and divestiture.

Examples of our ability to successfully transfer impaired property into assets include the following:



New Life for Fort Sam Houston

Redevelopment of abandoned site brings new life to structures and saves Army money – WESTON and our development partner Orion Development have entered into a 50-year lease of three unoccupied buildings totaling 500,000 square feet of space within the gates of **Fort Sam Houston** in San Antonio, Texas. The three historic buildings, Brooke Army Medical Center, the Army Medical Department Center and School, and the Institute for Surgical Research (The Beach Pavilion Complexes) were vacated in the early 1990s as

newer facilities were built. Each building contained environmental impairments and lacked the infrastructure or building systems capable of accommodating modern medical facilities or business offices.

WESTON and our development partner negotiated leases and secured the necessary financing to initiate the remediation and redevelopment of the structures. The Department of the Army will be relieved of paying over \$1 million in annual operation and maintenance costs, and will also share in the lease revenues generated by the redevelopment.

During the development of the Business and Lease Plan prepared for the Army, WESTON was actively involved in preparing a Financial Plan, a Marketing Plan, an Infrastructure Plan, a Historical Plan, an Environmental Plan, and a Community Relations Plan. During this process, we achieved our client's goals of:

- Reducing operating costs
- Providing stewardship for the buildings
- Supporting the ongoing mission of Fort Sam Houston



Mare Island Dredge Pond

Cleanup at former Navy shipyard provides viable reuse for City of Vallejo — WESTON is partnering with the City of Vallejo, California, in remediating and redeveloping this former Naval Shipyard property. In this effort, WESTON is performing both the developer and remediation contractor roles for the western parcel of **Mare Island** involving over 3,000 acres of land.

The Mare Island Naval Shipyard was closed in 1996 after operating for more than 130 years as a repair facility for the



Cleanup at Mare Island

western fleet. After developing a reuse plan for the facility with the Local Redevelopment Authority, the Navy transferred ownership of the property to the City of Vallejo for reuse. WESTON was chosen by the city to remediate the existing dredge ponds on a 350-acre portion of the property.

As part of this process, WESTON has guided the city through the Department of Defense's Early Transfer Process and is assuming \$54 million worth of cleanup and closure and environmental liability obligations of the Navy. This process will allow development and cleanup to be completed several years ahead of the Department of Defense schedule.

► An Investment in the Future

WESTON clearly understands the challenges you face. We understand the financial uncertainty that environmentally impaired properties present to owners and the need to return such properties to productive use.

WESTON's three-stage Redevelopment Initiative solves your challenges by preparing a comprehensive reuse plan that meets the needs of all stakeholders, ensuring long-term risks are properly managed/mitigated, and bringing financial backing to the purchase or redevelopment of your site.

This winning proposition enables you to generate faster and larger profits as well as share in the returns from redevelopment.

► Impaired Property Redevelopment Professionals at Weston Solutions, Inc.

Your local WESTON office: <http://www.westonsolutions.com/about/locationstext.htm>

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