



MEMORANDUM

TO: City of Racine Redevelopment Authority

FROM: Jordan Brown, RCEDC

DATE: April 1, 2015

SUBJECT: Brownfields and Redevelopment Properties Update

1. Application to the US EPA Brownfield Clean Up Revolving Loan Fund (BC RLF) Supplemental Funds Grant:

- a. There is an opportunity to supplement the City's current BC RLF. Presently, the BC RLF contains \$680,000 of funds available to lend to environmental clean up projects. These funds have been earmarked to the environmental clean up activities associated with Financial District Properties Machinery Row project. FDP's cleanup costs are tentatively estimated in excess of \$3 million.
- b. Supplemental BC RLF grant application facts:
 - i. The application would request \$3 million in supplemental funds but a realistic award would be \$350,000 (based on EPA historical awards data).
 - ii. The match requirement is 20% of the award with the full amount of the match coming from the borrower's equity contribution toward the project (\$0 of match coming from the City).
 - iii. The supplemental grant application is due on 4/24/15.
 - iv. If awarded, the supplemental funds would be made available to the City to access in the fall.
 - v. The cost to apply for supplemental funds is \$6,000 (60-40 hours of work) utilizing Stantec to coordinate the application. Stantec is the current environmental oversight contractor for the City's existing BC-RLF. The supplemental application would assist in the completion of a second BC RLF application for another \$1 million BC-RLF grant due in the fall.
- c. Sites being considered for supplemental clean up funds
 - i. Machinery Row (\$3 million in estimated clean up costs)
 - ii. Herman Kittle Properties
 - iii. Racine Steel Castings
 - iv. 1500 N. Memorial Dr. (UPEC)
 - v. City-owned Machinery Row area properties
 - vi. Smaller brownfield properties city-wide that could benefit from clean up funding

2. Quarterly Updates On Redevelopment Properties:

- a. The new activity included in my 2015 work plan is to a focus on five redevelopment sites in the City. The goal of this new activity is to lead the implementation plans for redevelopment; including the formulation of request for proposals and seeking out brokers to market

redevelopment sites. It is my goal to provide redevelopment updates to you on a quarterly basis. As my official start date with RCEDC was March 2nd, the majority of time in the first quarter has been devoted to providing technical assistance to brownfield sites and to grant management.

i. Brownfield sites

1. Racine Steel Castings
 - a. Formulating investigation and cleanup activities under direction of outside legal counsel
2. RootWorks and Machinery Row
 - a. Assistance with ongoing meetings (2x's a week), grant management of six grants, and three new grant applications submitted
3. Herman Kittle
 - a. Phase II environmental site assessment complete, moving into the site investigation phase and assisting the developer and City staff with grant exploration

4. Brownfields grants

a. Managing 10 grants

b. Two new grant awards announced (EPA Area Wide Planning Grant for RootWorks (\$200,000) and WEDC Idle Industrial Brownfields Grant for Machinery Row (\$1 million))

ii. Redevelopment sites

1. Harborside – no activities to report
2. 233 Lake Ave. (former We Energies site) – no activities to report
3. 1248 Washington Ave. (former Nelson Electric site)
 - a. Received closure letter from the WDNR
 - b. City is currently in the process of closing/leasing the property
4. South Side Industrial Park
 - a. Listed on ChooseMilwaukee.com
 - b. Listed on LocateInWisconsin.com
 - c. Listing sheet provided to 1 prospect and was included in multiple responses for inquires about properties of this acreage and uses fitting the site
5. 1218 West Blvd. (remnant parcel in West Racine) – no activities to report