



MEMORANDUM

TO: Redevelopment Authority of the City of Racine and
Finance and Personnel Committee

FROM: Tina Chitwood, Community Development Specialist
Racine County Economic Development Corporation (RCEDC)

DATE: November 29, 2010

SUBJECT: **Brownfield Redevelopment Contract Between RCEDC and the City of
Racine Review of Major Activities Performed in 2010 and Goals for 2011**

The purpose of this memo is to provide you with a summary of the activities performed by RCEDC in accordance with the 2010 Brownfield Redevelopment Contract as well as to provide a summary of the scope of work for activities to be performed under this contract in 2011.

I. Brownfield Grants Management and Applications

A. Active Grants Management Performed by RCEDC

1. U.S. Environmental Protection Agency (EPA) Brownfields Cleanup - Revolving Loan Fund (BC-RLF)
 - i. Amount: \$1 million
 - ii. Purpose: Loans and grants to developers and land owners to carry out clean up activities at brownfield sites
 - iii. Identified the grant, prepared the application including securing all City approvals, prepared the Workplan, reviewed the Cooperative Agreement and managed collecting all required City signatures to accept the grant award
 - iv. Prepared a contract and secured City approvals to contract with Business Lending Partners for the fund management of the grant award
 - v. Staff attended a two-day training session for new grantees
 - vi. Prepared the required quarterly reports submitted to US EPA and City Finance meeting grant reporting requirements
 - vii. *Next steps for 2011:* Prepare an RFP to secure an environmental consultant to provide site oversight monitoring during cleanup, develop and implement a marketing program to educate the public of the availability of this loan program and develop a manual for this program detailing loan processing, servicing, closing and reporting requirements.

2. WI Department of Natural Resources (DNR)-Site Assessment Grant (SAG)
 - i. Amount: \$100,000
 - ii. Purpose: Site Investigation and possible tank removal at the Former Racine Steel Castings Site (1425 N. Memorial Drive)
 - iii. Identified the grant, prepared the application including securing all City approvals and managed collecting all required City signatures to accept the grant award
 - iv. Prepared and RFP and coordinated the RFP review and approval processes with the City to contract with an environmental consultant to perform the Site Investigation. The chosen contractor is Alpha Terra Science, Inc. at a cost of \$38,489.50
 - v. Prepared the required semi-annual report submitted to DNR and City Finance meeting grant reporting requirements
 - vi. *Next steps for 2011:* Final Site Investigation report to be completed and submitted to the City by Alpha Terra Science. Considering the Site Investigation report recommendations RCEDC will prepare an additional RFP for a contractor to perform additional inspections and/or tank removal(s) before the grant closeout date in April 2011
3. WI Department of Natural Resources (DNR) - WI Plant Recovery Initiative - Assessment Money Grant for Shurpac (1700 Phillips Ave.)
 - i. Amount: An environmental consultant is hired directly by the DNR to perform a Ph. I Environmental Site Investigation and a limited Ph. II
 - ii. Coordinated the application effort to apply for this grant among the City, Foth Engineering and the City. Secured all City approvals prior to submitting the application
 - iii. The DNR's chosen environmental consultant, SIGMA, began investigation of the property in November 2010 and final reports are anticipated by Spring 2011
 - iv. *Next steps for 2011:* Monitor the work in progress to ensure that SIGMA prepares the reports in order to not conflict with the construction timeline of Shurpac. Beginning Summer 2011 the company has intentions to demolish a portion of their building and construct a 30,000 sq. ft. addition; including the creation of 50 new positions. Prepare grant applications to DNR, WI Dept. of Commerce and EPA (depending on results of SIGMA inspections) for further investigation and building demo/ tank abandonment work to be done prior to construction of the new building

B. Pending Grant Applications Prepared by RCEDC

1. U.S. Environmental Protection Agency (EPA) - Site Assessment Grant (SAG)
 - i. Amount: \$400,000
 - ii. Purpose: To conduct environmental assessments at hazardous substance and petroleum contaminated brownfield properties throughout the City
 - iii. Identified the grant and prepared the application including securing all City approvals
 - iv. Award announcements Spring 2011

II. Marketing Brownfield Sites

A. 2010 Marketing Activities Performed by RCEDC

1. South Side Industrial Park (SSIP)
 - i. Property is listed on www.choosemilwaukee.com
 - ii. Property is listed on RCEDC's website utilizing the Xceligent software system
 - iii. Updated Co-Star Advisors listing of SSIP
 - iv. Maintain a "Land for Sale" sign on-site identifying RCEDC as the contact regarding land sale and financing information
 - v. Exhibitor at the Chicago Industrial Properties 2010 trade show and attended the International Manufacturing and Technology 2010 trade show in Chicago
 - vi. SSIP design standards/covenants approved by the RDA (April 2010)
2. Provided information on available brownfield sites and financing programs to interested developers and environmental consultants:
 - i. MRD Asset Recovery, Feb. 2010
 - ii. Bonestroo (environmental consultant)
 - iii. Symbiont, Nov. 2010 (environmental consultant)
 - iv. AECOM (environmental consultant)
 - v. METCO (environmental consultant)
 - vi. Three unnamed prospects regarding Former Walker Manufacturing Site (January and June 2010)
 - vii. Unnamed prospect regarding the construction of a spec building at SSIP (November 2010)
5. Secured the City's approval for the transfer of ownership from the RDA to DeKoven Properties, LLC of the RDA owned parcel at 1918 DeKoven Ave.
6. Compiled a list of REC Fee Credits available at City redevelopment sites to be provided to interested parties and along with marketing materials
7. Replied to and submitted the 2010 US Conference of Mayor's Brownfield Survey on behalf of the City. The report findings conclude that brownfields redevelopment in cities leads to more jobs and increased tax revenue. The survey results are found at: <http://www.usmayors.org/pressreleases/uploads/November2010BFreport.pdf>

B. 2011 Brownfields Marketing Goals

1. Prepare and execute the activities in a comprehensive marketing plan for key brownfield sites (Former Walker Manufacturing Site, Former Racine Steel Casting Site, SSIP)

III. Brownfield Redevelopment Coordination

A. 2010 Brownfield Redevelopment Coordination Performed by RCEDC

1. Walker Manufacturing Site
 - i. Provided information to City Development to update the project plan for TID #14; as a result the State Legislature and Joint Review Board approved extending the life of TID #2 another 10 years to June 2020 (TID #14 is entirely within TID #2)

- ii. Coordinated and secured the City's approval of the contract with K. Singh and Associates to remove hazardous waste barrels (28) from the Walker Manufacturing Site. *2011*: Possible coordination to claim and receive reimbursement from Dept. of Commerce PECFA program to reduce the overall cost to the City
- 2. Former Racine Steel Casting Site
 - i. Coordinate on behalf of the City the pre-purchase requirements including: securing City approvals to hire SIGMA to perform an update to the Ph. I environmental assessment and to conduct building inspections, created and submitted for approvals with the DNR and Racine County the 75.105 Agreements and coordinated communications regarding the sale with seller's attorney
 - ii. Sale is expected to occur prior to year end 2010
 - iii. *Next steps for 2011*: Submit the recorded Deed to the County Treasurer so the delinquent taxes can be written off of the property per the 75.105 Agreement.

B. 2011 Brownfield Redevelopment Goals

- 1. Actively seek developers, new grant opportunities, and focus on marketing for:
 - i. SSIP
 - ii. Walker Manufacturing Site
 - iii. Racine Steel Castings Redevelopment Area
- 2. Other Potential Brownfield Redevelopment Focus Areas
 - i. Racine Street South of SSIP
 - ii. CNH South Property on Hwy. 32 (currently located in Mt. Pleasant)
 - iii. Horlick Redevelopment Area
 - iv. Root River Redevelopment Area – prepare a redevelopment plan if funding is received under the 2011 EPA-SAG application (announced Spring 2011)

If you have questions please feel free to contact me at 262.898.7422 or Gordy Kacala, RCEDC Executive Director, at 262.898.7412.