



City of Racine, Wisconsin AGENDA BRIEFING MEMORADUM

AGENDA DATES:

Introduced at Common Council: July 15, 2025

Finance and Personnel Committee: July 21, 2025

Common Council Consideration: August 6, 2025

All meeting dates are tentative and subject to change

PREPARED BY: Jeff Hintz, Assistant Executive Director, Community Development Authority
Michelle Cook, Associate Planner, Department of City Development

SUBJECT: Communication sponsored by Mayor Mason authorizing the Assistant Executive Director of the Community Development Authority of the City of Racine (CDA) to access funds from the City of Racine Brownfield Cleanup Revolving Loan Fund (BC-RLF) in the form of a 0% interest loan to the CDA for the environmental remediation at 526 Marquette Street.

EXECUTIVE SUMMARY: City Staff and the Community Development Authority of the City of Racine (CDA) seek permission to access funds from the City of Racine's Brownfield Cleanup Revolving Loan Fund (BC-RLF) in the form of a 0% interest loan for the purpose of environmental remediation at 526 Marquette Street. The environmental remediation done will better prepare the site for redevelopment.

BACKGROUND & ANALYSIS: The CDA-owned property at 526 Marquette Street has a long history of industrial operations including the use as a lumber yard, farm equipment manufacturing, and a large-scale publishing operation. The more than 100,000 square foot building that sat on the property was demolished by the Redevelopment Authority in Fall of 2019. A Phase II Environmental Site Assessment was conducted on the property in May 2019 and additional site investigation activities are being conducted, currently.

City Staff along with the City's environmental consultant have determined that removal of the hazardous contamination within certain areas along the river and the footprint of the previous building would be beneficial to the overall redevelopment of the site and assist in mitigating potential vapor issues that may arise when the site is redeveloped. The end goal is to receive site closure from the Wisconsin Department of Natural Resources (WDNR) to better prepare the site for a future mixed-use development.

BC-RLF PROGRAM

The Brownfield Cleanup Revolving Loan Fund (BC-RLF) was created by the City of Racine in 2010 to facilitate the remediation of contaminated properties. The program was funded through a grant received from the U.S. Environmental Protection Agency (USEPA) to offer low interest loans and subgrants to carry out cleanup activities at brownfield sites. The City's program has assistance from both the Racine County Economic Development Corporation – Business Lending Partners (RCEDC BLP), who provides loan underwriting and preparation of loan documents, and the USEPA who provides technical assistance and approval of cleanup methodologies.

The City's BC-RLF program was created after the City received an initial award in 2010 of \$1,000,000 from the USEPA to create a loan program. Since that date, the City has received an additional \$1,750,000 in supplemental funding to keep its program going. The goals of the program are to reduce environmental threats to the community, reduce sprawl and preserve greenspace through the reuse of properties, and generate job growth and expansion in the City.

BC-RLF Activities to Date:

Harborside: (Former Walker Manufacturing) A loan was issued for \$150,000 to the Redevelopment Authority of the City of Racine (RDA) for remediation and groundwater monitoring. The loan was executed in March 2014 and the site received regulatory case closure from the WDNR in August 2018.

Nelson Electric: A subgrant was issued for \$25,000 to the RDA for remediation and groundwater monitoring. The subgrant was executed in March 2014 and the site received regulatory case closure from the WDNR in February 2015.

Racine Steel Castings: A loan was issued for \$100,000 to the RDA for additional cleanup for the site. The loan was executed in December 2020.

Horlick Haban – 2100, 2102, and 2200 Northwestern Avenue: A loan was issued for \$1,700,000 for the removal of hazardous substances on the site. The loan was executed in April 2021.

RECOMMENDED ACTION:

Staff recommends that the Assistant Executive Director of the CDA, or his designee(s), be authorized to prepare and execute a loan with RCEDC BLP for up to \$125,000 of the City of Racine's USEPA Brownfield Cleanup to the CDA to aid in the remediation of 526 Marquette Street. Further, that the Director of City Development, Mayor, City Clerk, or their designee(s), or other required parties be authorized to sign all forms and documents necessary, and take necessary action to execute and facilitate the loan and undertake, direct and complete cleanup activities.

BUDGETARY IMPACT:

The BC-RLF loan of up to \$125,000.00 will be made from a grant received from the USEPA. The City will not incur any fees for allowing the CDA to apply for the loan and the required 20% match would be repaid upon property transfer.