

Remediation & Redevelopment Program



Grant Administration in the RR Program

A look at our success and the case for future funding



“Wisconsin DNR provided the city with the initial impetus to move forward on its redevelopment plans.”

– Shawn Reilly, Development Director City of Chilton

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Introduction

Setting the stage for new brownfield funds

The Remediation and Redevelopment (RR) Program has made a name for itself at the state and national level as a “can do” governmental program that successfully protects the environment, while encouraging economic development statewide. By helping communities turn idle properties with known or suspected soil and groundwater contamination into new redevelopments, the Program monitors threats to public health and fosters real economic growth.

When the Program administered the Brownfields Site Assessment Grant Program on behalf of the Department of Natural Resources (DNR), we took a relatively small amount of funding and sparked some big changes across Wisconsin. The key is in unlocking the uncertainty that hangs over properties with real or perceived environmental contamination.

While the Department successfully awarded 474 grants during its stewardship of the Brownfields Site Assessment Grant (SAG) program, the need for further funding to continue this important work is still evident. After 2008, the recession left numerous Wisconsin businesses and communities sitting on the sidelines when it came to redeveloping contaminated properties. Now, as both the private and public sectors look again to become more active in the area of development, DNR has an important role to play.

The Brownfields Study Group – a 14-year old external advisory group to the DNR – recommends that the Department award the RR Program future funds, to continue to make grants that cover environmental site assessments and other remedial activities at brownfield sites. The study group understands the importance of the agency with the technical expertise having the funding tools to assist communities and developers. These future monies would be an important complement to other sources of brownfields funding currently available at the state and federal level.

This report highlights how the RR Program has proactively promoted the cleanup and redevelopment of brownfield sites, and shows why we are uniquely qualified to receive future state funds to continue this mission.

Part I

A Track Record of Success:

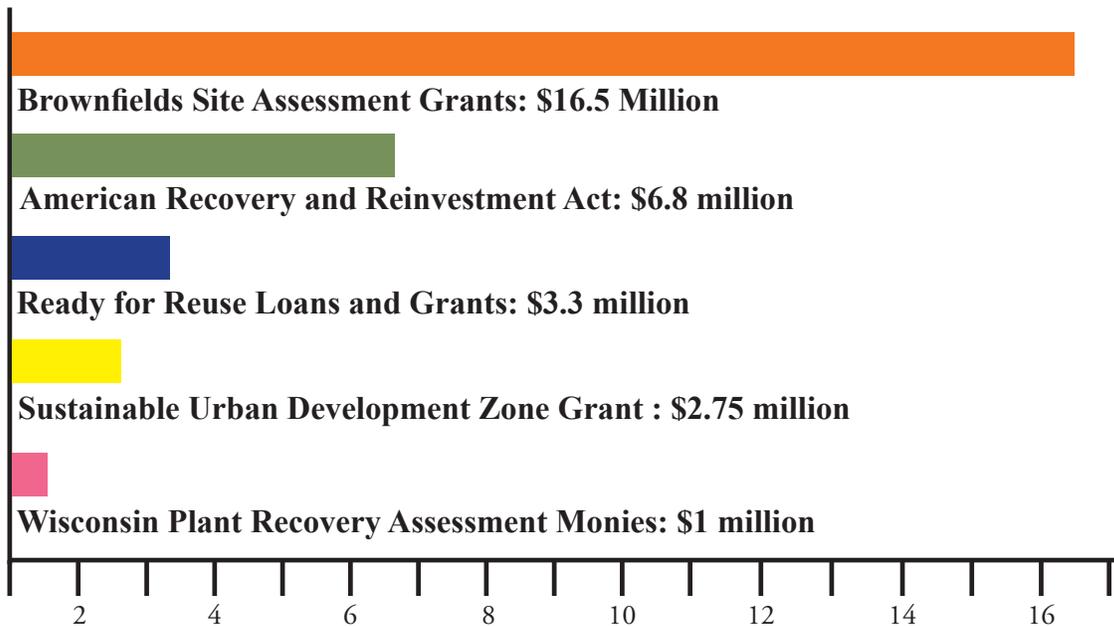
How the RR Program uses small grants to assess brownfields, spark redevelopment and create jobs.

If you take a drive through any part of Wisconsin, you will likely pass by a city, village or town that has a connection to the DNR’s Remediation and Redevelopment Program. Drive east into Wisconsin on Interstate 94 and you pass signs for Amery, Eau Claire and Mauston – all home to successful brownfield redevelopments. Drive through southeast Wisconsin on I-94 from the Illinois-border and you’ll pass by Kenosha, Oak Creek, and Milwaukee – large communities where the Program has put in countless hours addressing severely contaminated sites with huge economic upside. Head south from Green Bay and you can see smaller, yet no less important projects in De Pere, Chilton, and Fond du Lac County. Don’t forget up north in Superior, Ashland and Wausau, or further south in Prairie du Chien, Madison and Edgerton, to name a few (*see more on our page 6 map*).

The list goes on and on, but there’s a common theme: communities all across the state have a history of partnering with the RR Program to take on the challenge of brownfield redevelopments. They saw the potential in a property locked up in the uncertainty of environmental contamination, but needed help to lay out a clear path to a new use. More than 500 times in the last 15 years, the RR Program has been there with a grant and the appropriate technical and redevelopment assistance to provide the necessary spark to set off that chain reaction. The result is a track record of success that stands for itself.

Utilizing state and federal funds, the RR Program has successfully managed many grant programs, including: Brownfield Site Assessment Grants, Green Space Grants, Ready for Reuse grants and loans, Wisconsin Plant Recovery Initiative Assessment Monies, the Brownfields Environmental Site Assessment Program (BEAP), Sustainable Urban Development Zone (SUDZ) grants, and others. It is important to note that quite a few of the Program staff who created, implemented and marketed these grant opportunities still work for the Program, and are primed and ready to get a new grant program up-and-running, if given new funding sources.

Examples of Recent RR Program-Administered Grants



Here's some of what Wisconsin's community leaders have to say about working with DNR's RR Program

"Resolving brownfield projects are not just mathematical practice, but a creative process and SAG's and DNR have become part of the "usual suspects" that get us to a solution."

– David Less, City Planner, Manitowoc

"Without this program, the county would not have done this site assessment and could not have sold this property."

– Karen J. Kubisiak, Treasurer, Wood County

"Not only has the redevelopment led to increased jobs and tax base, but it has improved the quality of life in our communities."

– John C. Storlie, Town Chairman, Shelby

"These projects have not only improved the urban environment we live in, they have generated significant increases in job creation and property tax value. Many of these benefits would never be realized without state assistance."

– Dave Misky, Asst. Executive Dir., Redevelopment Authority of the City of Milwaukee

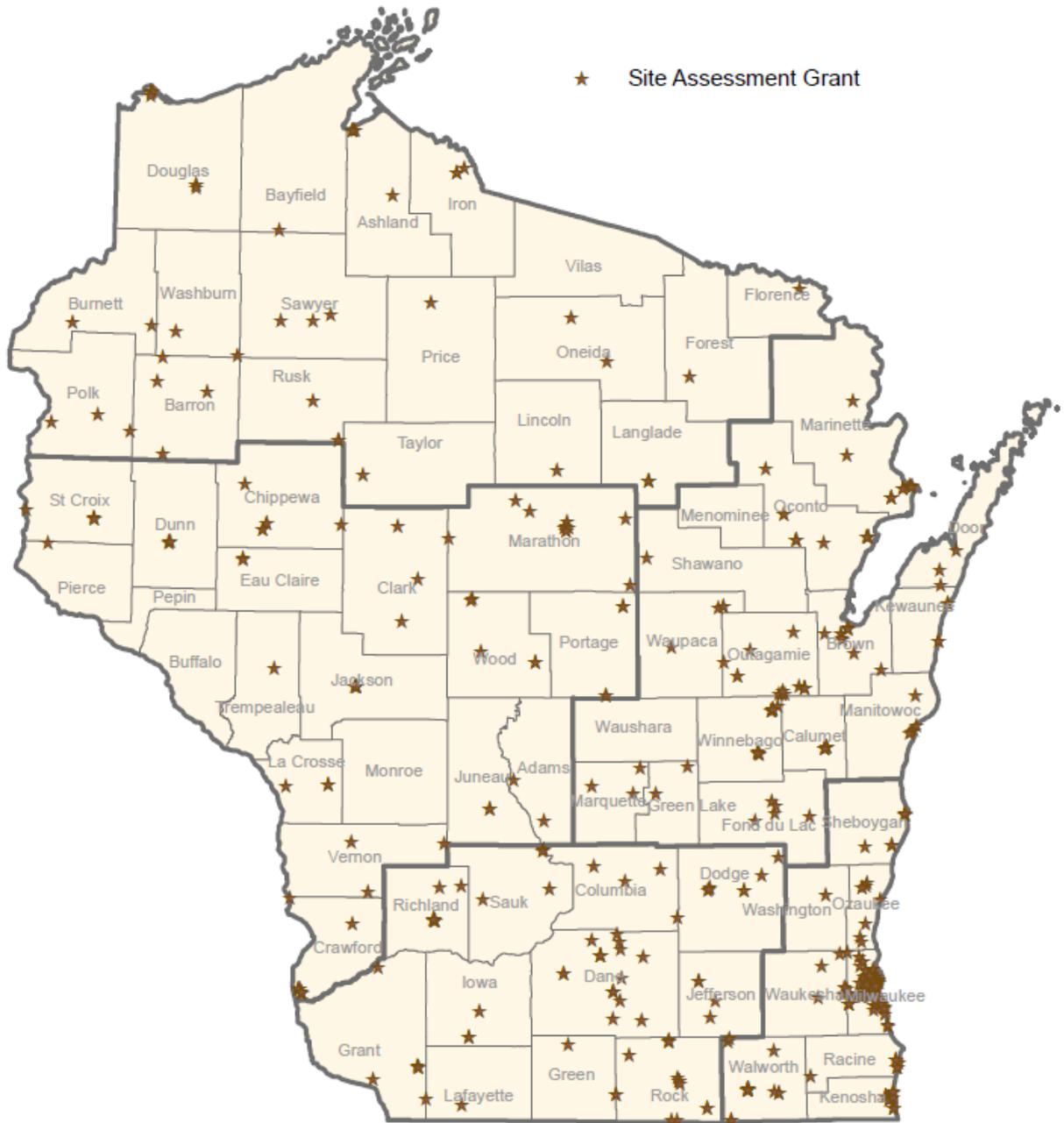
Building Our Record:

Five reasons why the DNR's remediation grant programs work so effectively

The RR Program has a very strong foundation for creating grant programs, and awarding funds for brownfield redevelopment. Here are five reasons why the Program has such a successful track record:

1. **DNR combines financial, technical, acquisition and liability tools in one agency: One-stop redevelopment assistance.** – When DNR can provide an array of services to address contaminated sites, communities, private enterprise and consultants are more likely to come to us for answers to their brownfield questions. The ability to offer financial incentives puts us in the best position to help customers get past all their brownfield road blocks, whether they are legal, technical or financial. DNR staff are uniquely positioned to assist the public and private sector in carefully acquiring these properties so that their environmental liability is minimized to the extent allowed by state and federal law. We also have tools to help deal with unpaid back taxes.
2. **DNR has technical and regional staff stationed statewide to provide personalized advice to communities and businesses** – Members of the RR Program's Outreach Team and Land Recycling Team are located in the regions, close to the communities and businesses they serve. They can pair up with a project manager and easily meet face-to-face with customers to discuss the details of a particular site and how we can help. DNR knows these communities and properties better than anyone else, because we've already been working with the community, oftentimes on that specific property!
3. **DNR creates grant programs quickly and efficiently makes awards** – Case in point, it was only 11 months between the time that the statutes for the Brownfields Site Assessment Grant program passed the legislature, administrative rules were in place, and the first awards were made. We've had similar quick set up times with recent grant programs, including WPRI Assessment Funds and the American Recovery and Reinvestment Act funds from U.S. EPA.
4. **DNR has already built strong relationships with communities and environmental consulting firms** – Thanks to the Brownfields Study Group advisory panel, DNR has very strong relationships with the mix of Wisconsin professionals that work to address contaminated properties. This includes local government leaders, the top environmental consulting firms and attorneys. They know and trust DNR because we have proved that we are listening to their input and follow through with it.
5. **DNR has experience balancing small and large community needs** – One of the true successes of the Brownfields Site Assessment Grant Program was the number of small communities who were able to complete dynamic, job-creating redevelopment projects with our help. By making our application forms easy to complete, and having different tiers of grant awards, we were able to create an application process that put both large and small communities on equal footing for funding, without the need for quotas.

Part II— A Powerhouse Program: Brownfields Site Assessment Grants



WI Communities Receiving Grants	205
Largest Grant Recipient	Milwaukee
Smallest Grant Recipient	Town of Pence (Pop.198)

Filling A Community Need	
Total Grant Awards	474
Total Funds Awarded	\$16.5 Million
Total Grant Applications	868
Total Funds Requested	\$35.7 Million
Funding Need to Award Ratio	2:1



Waunakee, WI



Sheboygan, WI

How the Funds Were Used	
193	Phase I Env. Site Assessments
315	Phase II Env. Site Assessments
317	Site Investigations
629	Buildings Demolished
710	Storage Tanks and Containers Removed

Examining the success of DNR's Brownfield Site Assessment Grants

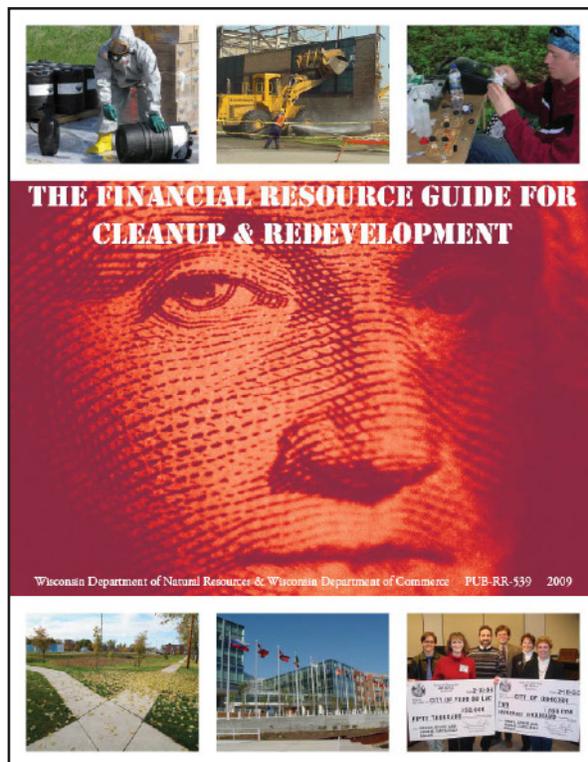
None of the grants which the RR Program has recently managed showcases our reliable record better than the Brownfields Site Assessment Grant Program (SAG). Created in 1999 this grant showed how the DNR could take a relatively small sum of money, \$1.7 million per year, and make a big impact.

Creating potential by eliminating the unknown

The success of the SAG program was its ability to unlock the uncertainty that can hang over an idle brownfield site. Often, little is known about what contamination is hiding in the soil or groundwater. It was remarkably effective at addressing properties where developers were leery of making an investment, because of the unknown environmental components. A community commonly received funding to conduct Phase I and II Environmental Site Assessments. Building demolition monies were also allocated in order to test soil and groundwater beneath the building and to complete a site investigation. Through these activities, the community suddenly shed new light onto a problem property. The knowledge gained from these grants helped local planners and developers envision the necessary next steps in the cleanup process.

What made SAG such a unique program was the ability of DNR to make sites ready for redevelopment, when no private party was willing to invest in the property. These properties were often so mired in back taxes, unknown property owner issues, and questions about contamination, that no one but the community and the DNR saw the site as an asset. Often times, the grant work uncovered a smaller-than-expected problem, that could easily be remedied. If the contamination provided a bigger challenge, the DNR could refer the community to other brownfield cleanup grants, including grants from the DNR, U.S. EPA or Wisconsin Department of Commerce (now the Wisconsin Economic Development Corporation).

Staff in the RR Program worked extensively to help communities leverage the momentum from a SAG award into other sources of funding for cleanup and redevelopment. The program's most important publication is a booklet called *The Financial Resources Guide for Cleanup and Redevelopment*, a joint publication with the former Wisconsin Department of Commerce. The guide outlines more than 60 grants, loans, tax incentives and



The Financial Resource Guide for Cleanup and Redevelopment helps local governments and private parties identify brownfields funds.

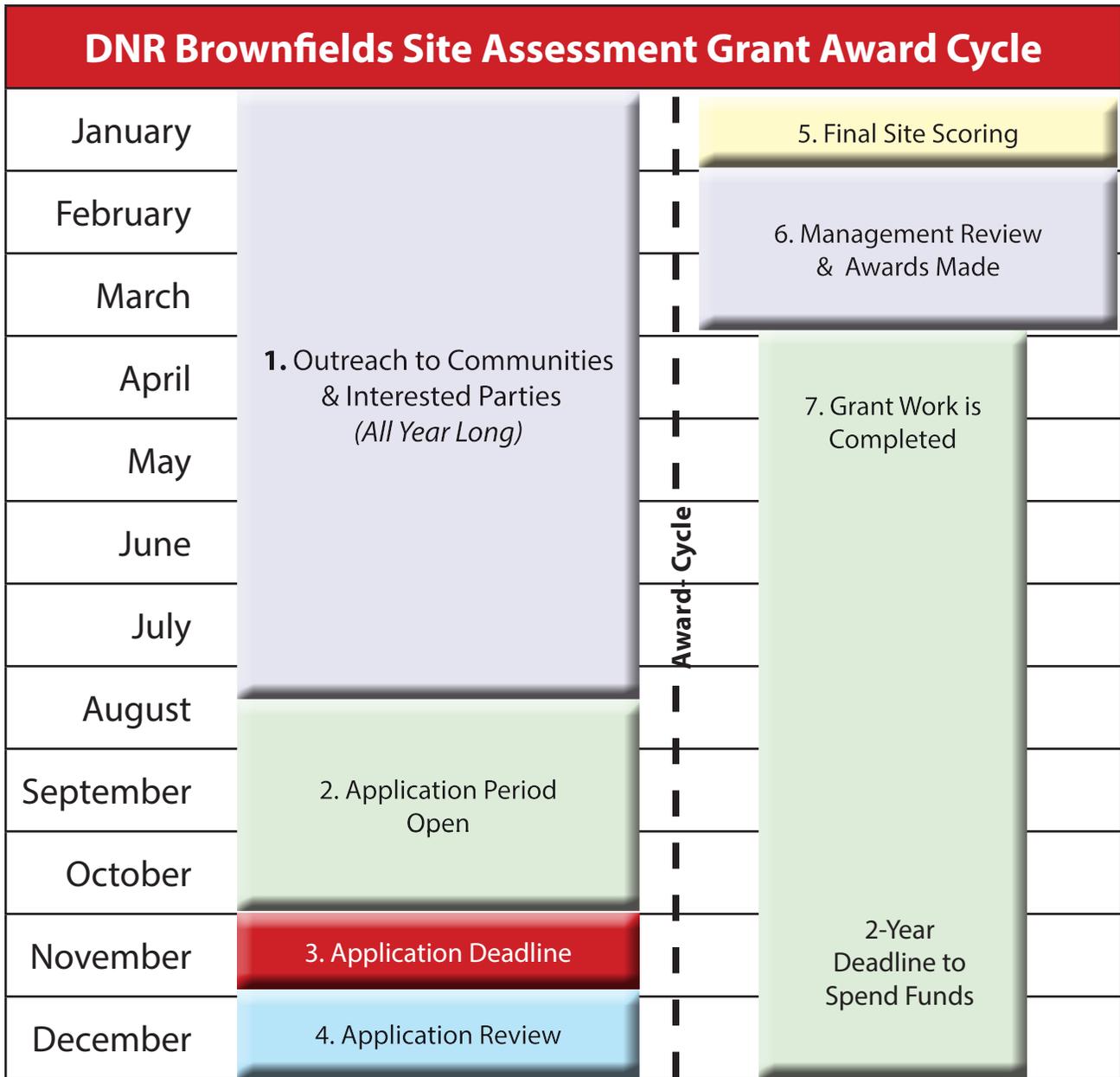
reimbursement programs. It includes a quick reference chart, how-to guide and additional web sites to help customers fund their brownfield redevelopment projects. By putting an impressive number of resources at our customers' fingertips, we made it easy to plan out the next steps in their redevelopment plans.

A Well-Oiled Machine

After many rounds of accepting applications and making grant awards, the RR Program became a well-oiled machine at administering the SAG program. Annually, staff were able to screen 60-90 applications, score those applications, and make their final recommendations on awards of 40 to 50 grants, in less than three months.

The annual process for making awards generally went as follows:

1. Year-Round – The RR Program's outreach staff, based in regional offices and in our central office, would continually reach out to communities and other parties in both the public and private sectors all across the state about the availability of SAG funds.
2. Late Summer – The SAG application was released in the late summer, and an alert sent out through our



newsletters. This gave our customers several months to complete and refine their applications.

3. November – The deadline for applications for both “small” grants (max. \$30,000) and “large” grants (max. \$100,000) came in November, before the holiday season.
4. December – Once applications were in, regional project managers worked with their Land Recycling Team member and our central office staff to review and score applications, in a timely fashion. During this review process, communities were given a chance to correct any missing or incomplete information from their application.
5. January – Once any missing information had been submitted, application scores and dollars-requested

were tallied for large and small grants. The highest-scoring projects were submitted to DNR management for approval.

6. Early to Late Spring – The awards are announced, at the behest of the Governor’s office or DNR Secretary. The timing was important, because work could get underway quickly after the spring thaw.
7. Two-Years Later – Communities had one year to expend all award funds. If problems arose and funds were not spent, the community could request an extension, or return unused grant money. Unused grant money would go to SAG projects needing additional financial support.

SAG Success Stories

When you’ve given out 474 grants, it’s hard to say which are the most successful projects. Were the projects with the greatest number of jobs created or the largest development investments the most valued? Were the projects that re-imagined extremely blighted sites or the ones that transformed smaller communities with fewer resources more significant?

In truth, each project fit a unique need in the community where it was awarded. We are proud to showcase just some of the best projects in this report. These sites highlight the variety of successful redevelopments that grew out of our initial investment. Many created and retained dozens or even hundreds of jobs. Others addressed sites with severe contamination, blight and even crime problems. Taken as a whole, they demonstrate the powerful, positive effect DNR can have when it has the full-range of tools to take on brownfields.

Community-Wide Redevelopment Success: West Allis



Wehr Steel – West Allis	
Now:	Industrial
Then:	Light Industrial
DNR Investment:	\$29,750
Value Increase:	+ \$9,500,000
Jobs:	85

Summit Place– West Allis	
Now:	Industrial
Then:	Office Complex
DNR Investment:	\$30,000
Value Increase:	+ \$30,000,000
Jobs:	3,0000



700 Series Properties – West Allis	
Now:	Multi-Family Residential Farmers Market
Then:	Industrial, Commercial, Residential
DNR Investment:	\$1,138,715 (3 grants)
Value Increase:	+ \$19,000,000
Jobs:	75

100 Series Properties – West Allis	
Now:	Multi-Family Residential, Mixed Use, Commercial
Then:	Industrial, Commercial, Residential
DNR Investment:	\$109,363 (2 grants)
Value Increase:	+ \$19,000,000
Jobs:	15

Note: Value increases based upon county tax records, or redevelopment investment; Jobs numbers may include new, created & retained jobs, based upon employer reporting.

DNR Redevelopment Successes: Corporate Headquarters



Plexus World Headquarters – Neenah

Now:	Office Building
Then:	Glatfelter Paper Mill
DNR Investment:	\$97,000
Value Increase:	+ \$14,000,000
Jobs:	375



**Royal Credit Union Headquarters/
Phoenix Park – Eau Claire**

Now:	Office Complex, Public Park
Then:	Manufactured Gas Plant
DNR Investment:	\$100,000
Value Increase:	+ \$12,500,000
Jobs:	265



100 Maritime Drive – Manitowoc

Now:	Office Building
Then:	Industrial Manufacturing
DNR Investment:	\$30,000
Value Increase:	+ \$3,000,000
Jobs:	30

DNR Redevelopment Successes: Retail



Cannery Row – Sun Prairie

Now:	Mixed-Use Residential/ Commercial, Row Houses
Then:	Cannery
DNR Investment:	\$30,000
Value Increase:	+ \$23,000,000
Jobs:	70



Trolley Square – Appleton

Now:	Commercial/Retail
Then:	Industrial/Manufacturing
DNR Investment:	\$120,000
Value Increase:	+ \$2,000,000
Jobs:	40



Alterra Coffee – Milwaukee

Now:	Commercial/Retail
Then:	Automotive/Dry Cleaner
DNR Investment:	\$29,900
Value Increase:	+ \$2,500,000
Jobs:	81



Ace Hardware – Beloit

Now:	Retail
Then:	Public Park/Retail
DNR Investment:	\$20,500
Value Increase:	+ \$1,065,000
Jobs:	20

DNR Redevelopment Successes: Retail continued



Pick 'n Save – Marshfield

Now:	Retail
Then:	Railroad Switchyard
DNR Investment:	\$17,046
Value Increase:	+ \$60,000
Jobs:	30



Bull Falls Brewery – Wausau

Now:	Retail/Brewery
Then:	Bulk Fuel Oil Storage
DNR Investment:	\$30,000
Value Increase:	+ \$250,000
Jobs:	10



Circle C Store – Shell Lake

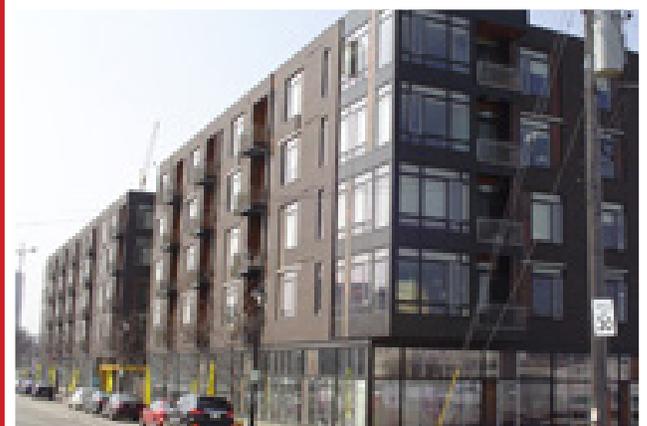
Now:	Retail
Then:	Gas Station
DNR Investment:	\$9,000
Value Increase:	+ \$58,000

DNR Redevelopment Successes: Industrial



Rockline Industries – Sheboygan

Now:	Industrial
Then:	Industrial
DNR Investment:	\$30,000
Jobs:	175



U.S. Leather – Milwaukee

Now:	Mixed-Use Development
Then:	Tannery
DNR Investment:	\$12,000
Value Increase:	+ \$14,000,000
Jobs:	20



U.S. Castings – Rusk County

Now:	Electronics Recycler
Then:	Foundry
DNR Investment:	\$15,196



SBC II Redevelopment – West Milwaukee

Now:	Commercial/Light Industrial
Then:	Foundry, Electroplater
DNR Investment:	\$30,000
Value Increase:	+ \$2,000,000
Jobs:	450

DNR Redevelopment Successes: Senior Housing Complex



Village Center – Waunakee

Now:	Senior/Community Center Senior Housing
Then:	Cannery
DNR Investment:	\$160,000 (3 grants)
Value Increase:	+ \$11,500,000
Jobs:	8 Full-Time, 15 Part-Time



Uptown Commons – Chilton

Now:	Senior Housing
Then:	Blighted Properties
DNR Investment:	\$79,000
Value Increase:	+ \$1,800,000
Jobs:	1



Our House – Richland Center

Now:	Senior Housing/Care Facility
Then:	Auto Shop, Electrical Business
DNR Investment:	\$60,000
Value Increase:	+ \$400,000
Jobs:	15



New York Building – Superior

Now:	Senior Housing/Retail
Then:	Residential/Retail
DNR Investment:	\$16,229
Value Increase:	+ \$750,000
Jobs:	25

DNR Redevelopment Successes: Senior Housing Continued



Kelly Pickle – Oconto	
Now:	Senior Housing
Then:	Food Processing
DNR Investment:	\$189,866 (4 grants)
Value Increase:	+ \$600,000
Jobs:	1

DNR Redevelopment Successes: Rural Communities



Potosi Brewery – Potosi	
Now:	Brewery Museum, Restaurant
Then:	Brewery
DNR Investment:	\$30,000
Value Increase:	+ \$400,000
Jobs:	15



Feiler Property – Adams County	
Now:	Vacation Homes (2)
Then:	Gas Station
DNR Investment:	\$13,209
Value Increase:	+ \$145,000

DNR Redevelopment Successes: Community Improvement



Neillsville Foundry – Neillsville

Now:	Community Ice Rink and Warming Hut
Then:	Foundry
DNR Investment:	\$99,901



Marathon Rubber – Wausau

Now:	Residential, Park
Then:	Manufacturing Plant
Value Increase:	\$640,000
DNR Investment:	\$30,000



Woodley Dam – Amery

Now:	Natural Stream Bank
Then:	Dam
DNR Investment:	\$30,000



Borg Instruments – Delevan

Now:	Retention Pond (Brownfields Redevelopment Corridor)
Then:	Manufacturing Plant
DNR Investment:	\$100,000

