

LRB - FISCAL REVIEW SECTION ANALYSIS

June 28, 2001

ITEM 3, FILE 010350

PUBLIC SAFETY COMMITTEE

JAMES CARROLL

File #010350 is a resolution amending Common Council File No. 000435 for acceptance of additional funding for a Brownfields Assessment Demonstration Grant.

Background

1. Groundwater clean up in the Menomonee valley is a major concern to developers. Extensive marshes used to occupy the valley and steep bluffs bordered the marshes. From 1835 to 1890, the bluffs were cut and graded and the material from the bluffs along with household and industrial waste were used to fill in the marshy areas. In later years, the area's industrial facilities, which included foundries, tanneries and coke plants, also contributed to groundwater contamination. The movement of groundwater contamination is also affected by the Menomonee River's relationship with Lake Michigan.
2. On July 7, 1998, the Common Council adopted File #980376 that accepted \$200,000 from the Environmental Protection Agency (EPA) as part of a \$745,000 Brownfields Assessment Demonstration Grant for the Menomonee Valley. The funding has been primarily used to conduct groundwater level testing. Before the grant was accepted the nature and extent of the groundwater contamination was largely undocumented.
3. On July 25, 2000 the Common Council amended File #980376 by adopting File #000435 that accepted an additional \$150,000 from the EPA. The funding is being used to continue the groundwater level testing and for chemical testing.
4. On February 6, 2001, the Common Council amended File #000435 by adopting File #001363 that accepted an additional \$200,000 from EPA. The scope of the grant was expanded under this file to include the investigation of soil and groundwater contamination at sites in the Menomonee Valley and elsewhere in the City of Milwaukee.
5. With the additional \$200,000, the grant total became \$1,095,000. The EPA provided \$550,000 and the City provided \$545,000.
6. The City's share includes \$58,000 from the City, \$137,000 from grants and loans from the State of Wisconsin, \$50,000 from the Private Industry Council and \$300,000 from the Milwaukee Economic Development Corporation.

Discussion

1. This file, if adopted, accepts an additional \$200,000 from the EPA. With the additional \$200,000, the EPA will assign a full-time staff person to the Department of City Development to assist in the environmental evaluation of sites, conduct research and assist in the grant procurement process for the duration of the grant (February 1, 2003).

2. The total amount of the grant, if this file is adopted, will become \$1,295,000. The EPA share will increase to \$750,000 and the City's share will remain at \$545,000.

Fiscal Impact

The resolution authorizes the acceptance of and the expenditure of an additional \$200,000 from Grant and Aid Account for the Brownsfield Demonstration Grant.

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