

**LEGISLATIVE REFERENCE BUREAU FISCAL ANALYSIS**

**COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE**

**OCTOBER 16, 2007**

**Item 8, File #070795**

File Number 070795 is a resolution authorizing environmental testing, remediation and demolition on brownfield properties using the Development Fund.

**Background**

1. Many properties throughout the City are contaminated, or suspected of being contaminated, as a result of past activities and uses of those properties. To the extent that the City can clean up these vacant, underutilized “brownfield” sites (or demonstrate that they are already clean), it can speed up the process of redeveloping these properties and increasing the property tax base.
2. The Development Fund is a Department of City Development-administered capital account that provides financial assistance for development projects that do not qualify for tax incremental district designation. Among the activities supported by the Fund are environmental testing and remediation of contaminated, or potentially contaminated, brownfield sites.
3. The 2007 Budget provides \$2.2 million in new borrowing authority for the Development Fund.

**Discussion**

1. This resolution authorizes the transfer of \$270,000 from the Development Fund to DCD’s Environmental Fund for the purpose of funding the environmental testing, remediation, demolition and other costs (including tax foreclosure) associated with brownfield properties.
2. The funds transferred by this resolution will be used to match 2007 Wisconsin Department of Natural Resources Site Assessment Grants awarded to the City and RACM totaling \$154,400 and a U.S. Environmental Protection Agency Brownfield Cleanup Revolving Loan Fund award of \$1,000,000 to RACM.
3. Documents in the file indicate the properties to be tested, remediated and demolished with the funds transferred by this resolution include:

3111 N. 8<sup>th</sup> St.  
9168 N. 124<sup>th</sup> St.  
603 E. Locust St.  
522 W. North Ave.

1419 W. North Ave.  
3709-11 W. North Ave.  
612 W. Pierce St.

4. This resolution also authorizes the Commissioner of City Development to enter into the contracts and agreements necessary to carry out the brownfield testing, remediation and demolition funded by the resolution.

**Fiscal Impact**

The impact of this resolution will be a reduction of the balance in the Development Fund by \$270,000.

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