

**From:** [Borski, Jennifer - DNR](#)  
**To:** [Chancellor, Sandra D - DNR](#); [Koepke, Cynthia L - DNR](#)  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770  
**Date:** Tuesday, May 25, 2021 2:53:14 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image004.png](#)  
[image005.png](#)  
[image006.png](#)

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Please track Shawn's email in BRRTS as AC 43 with comment "WEDC grant award" to enhance the chance of us noting this if anything were to be submitted in the future.

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Visit our survey at <http://dnr.wi.gov/customersurvey> to evaluate how I did.

Jennifer Borski

Phone: (920) 424-7887 - RR Program land lines were permanently disconnected on October 1, 2020

**Cell Phone: (920) 360-0853**

[jennifer.borski@wisconsin.gov](mailto:jennifer.borski@wisconsin.gov)



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**From:** Chancellor, Sandra D - DNR <[Sandra.Chancellor@wisconsin.gov](mailto:Sandra.Chancellor@wisconsin.gov)>  
**Sent:** Tuesday, May 25, 2021 11:20 AM  
**To:** Koepke, Cynthia L - DNR <[Cynthia.Koepke@wisconsin.gov](mailto:Cynthia.Koepke@wisconsin.gov)>; Borski, Jennifer - DNR <[Jennifer.Borski@wisconsin.gov](mailto:Jennifer.Borski@wisconsin.gov)>  
**Subject:** FW: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Just an FYI....

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Sandy Chancellor

Cellphone: 608-720-0122 (Please note updated phone number)

Email: [sandra.chancellor@wisconsin.gov](mailto:sandra.chancellor@wisconsin.gov)

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**From:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Sent:** Tuesday, May 25, 2021 10:01 AM  
**To:** Chancellor, Sandra D - DNR <[Sandra.Chancellor@wisconsin.gov](mailto:Sandra.Chancellor@wisconsin.gov)>  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Good morning Sandy,

I just wanted to advise you that WEDC has proceeded with an award to Wash Haus Development for the redevelopment we had spoke about. We have an executed contract with Wash Haus.

If you have any questions, please feel free to reach out.

Have a great day.

Shawn J Theis, EDFP  
Senior Financial Underwriter  
Wisconsin Economic Development Corporation  
201 W. Washington Avenue  
Madison, WI 53703

Ph. 608.210.6803



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**From:** Chancellor, Sandra D - DNR <[Sandra.Chancellor@wisconsin.gov](mailto:Sandra.Chancellor@wisconsin.gov)>  
**Sent:** Wednesday, May 5, 2021 11:36 AM  
**To:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Hello Shawn,

As it stands, Richard Klinke, former operator & owner of the dry cleaner is still an eligible DERF applicant under Wis. Stats. ss. 292.65(1)(h) & (i). The person he sold the property to is not eligible under DERF unless an agent agreement was signed. Mr. Klinke or the new owner would be required to send a copy of the agent agreement to DNR. To date, we have not received a copy of an agent agreement. As such, any costs currently incurred for investigation or cleanup by the new owner would not be eligible under DERF.

Richard Klinke could still secure an agent agreement with the new owner after the property sale. According to Wis. Stats. s. 292.65(4)(k), there is no requirement for the agent agreement to take place prior to sale of the property. Furthermore, Wis. Admin. Code s. 169.07(2) includes no time limitation on securing an agent agreement other than to state that until the DNR receives a signed agent agreement, costs incurred by the agent are not eligible.

To answer your question, Richard Klinke entered into DERP as an eligible applicant for this location. The location remains in DERP but only through Richard Klinke or an assigned agent. Without the signed agent agreement, any costs incurred by the new owner are not eligible for reimbursement by DERP. If WEDC were to award a grant, DNR would appreciate being notified in case an agent agreement were to be submitted in the future to avoid the double-dipping that concerns both agencies.

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Sandy Chancellor

Cellphone: 608-720-0122 (Please note updated phone number)

Email: [sandra.chancellor@wisconsin.gov](mailto:sandra.chancellor@wisconsin.gov)

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**From:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Sent:** Tuesday, May 4, 2021 2:07 PM  
**To:** Chancellor, Sandra D - DNR <[Sandra.Chancellor@wisconsin.gov](mailto:Sandra.Chancellor@wisconsin.gov)>  
**Subject:** FW: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Good afternoon Sandra,

I am hoping you can assist on a question I have in regard to a WEDC Brownfield award I am underwriting. The question revolves around an applicant owning a former Klinke Cleaners site that is listed in DERP.

The current owners of the site purchased the site for redevelopment (not Klinke's). I was trying to determine if the new owners would still be eligible through DERP for the work it performs, or if only Klinke's would be eligible for funding. Does the property remain in DERP when there is an ownership transfer?

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Klinke Cleaners, East Washington Ave is the redevelopment site.

I am wanting to assure that if WEDC were to award BF funding for remedial purposes, that the recipient would not

be able to “double dip” state funding for the same work.

Any assistance you can provide would be great.

Thank you

Shawn J Theis, EDFP  
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Madison, WI 53703

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**From:** Prager, Michael A - DNR <[Michael.Prager@wisconsin.gov](mailto:Michael.Prager@wisconsin.gov)>  
**Sent:** Tuesday, May 4, 2021 9:32 AM  
**To:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Hello Shawn –

Sorry it took a bit to get this clarified, but we suggest that Klinke’s send a letter to Jennifer Borski and Sandy Chancellor, the DERP Fund Manager, explaining their intent to request grant funds from WEDC including the amount and indicate their preference to no longer participate in the Dry Cleaner Environmental Response Program (DERP) for this location. A letter would be better than an email if possible. I know the grant applicant is different than Klinke’s who was the operator who is eligible for DERP. Let me know if you want to discuss this further.

Michael Prager

Phone: 608-225-7950

[Michael.prager@wisconsin.gov](mailto:Michael.prager@wisconsin.gov)



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**From:** Prager, Michael A - DNR  
**Sent:** Friday, April 23, 2021 10:59 AM  
**To:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

I am checking on this, that is probably all we need but let me make sure.

Michael Prager

Phone: 608-225-7950

[Michael.prager@wisconsin.gov](mailto:Michael.prager@wisconsin.gov)



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**From:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Sent:** Friday, April 23, 2021 9:03 AM  
**To:** Prager, Michael A - DNR <[Michael.Prager@wisconsin.gov](mailto:Michael.Prager@wisconsin.gov)>  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Hi Michael,

Thank you so much for your feedback. It is greatly appreciated!

I have discussed with our team and the applicant and they will be looking to withdraw from DERP to relinquish claims to any funding. Are you aware if all this would take is for them to submit a letter requesting its withdrawal?

Thanks

Shawn J Theis, EDFP  
Senior Financial Underwriter  
Wisconsin Economic Development Corporation  
201 W. Washington Avenue  
Madison, WI 53703

Ph. 608.210.6803



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**From:** Prager, Michael A - DNR <[Michael.Prager@wisconsin.gov](mailto:Michael.Prager@wisconsin.gov)>  
**Sent:** Thursday, April 15, 2021 11:24 AM  
**To:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>  
**Cc:** Koepke, Cynthia L - DNR <[Cynthia.Koepke@wisconsin.gov](mailto:Cynthia.Koepke@wisconsin.gov)>; Wojner, Wendell J - DNR <[Wendell.Wojner@wisconsin.gov](mailto:Wendell.Wojner@wisconsin.gov)>; Peotter, Jodie M - DNR <[jodie.peotter@wisconsin.gov](mailto:jodie.peotter@wisconsin.gov)>  
**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Hello Shawn –

We are familiar with this site and approved a Materials Management Plan on February 22<sup>nd</sup>. The activities in the budget you sent in your email are consistent with the actions included in the approved plan. The site is closed with residual contamination, and the proposed work would address the known remaining soil contamination. The February 22 letter describes the activities they need to do as they move forward. The request and the proposed plan submitted by True North Consultants and the approval letter, as well as other documents about the site including the closure letter issued in 2007, can be found on our online database:

<https://dnr.wi.gov/botw/GetActivityDetail.do?dsn=307195&siteId=1109500&crumb=1>

One comment about the project: the site has received funding through the DNR Dry Cleaner Environmental Response Program (DERP) in the past. The site owners are eligible for more cleanup actions to be reimbursed by DERP. However, we don't know if they will request funding through that program and there is a very significant backlog in paying claims. Work that is submitted now for reimbursement may take over 10 years to be paid back if enough funding becomes available before the program sunsets in 2032. You may want to check that the site owners are not planning to "double dip" and get the same site work paid for by your grant and DERP. We can have further discussions if they are trying to coordinate using both programs.

We don't have other concerns about you issuing funding to this project.

Michael Prager

Phone: 608-225-7950

[Michael.prager@wisconsin.gov](mailto:Michael.prager@wisconsin.gov)



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**From:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>

**Sent:** Thursday, April 08, 2021 4:34 PM

**To:** Prager, Michael A - DNR <[Michael.Prager@wisconsin.gov](mailto:Michael.Prager@wisconsin.gov)>

**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

No date in particular. Thanks!

Have a great day

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**From:** Prager, Michael A - DNR <[Michael.Prager@wisconsin.gov](mailto:Michael.Prager@wisconsin.gov)>

**Sent:** Thursday, April 8, 2021 4:00 PM

**To:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>

**Subject:** RE: WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Hi Shawn – I will review this and check with our regional staff about the status of the efforts. I was out of the office, sorry about the delay. Is there a date when you need to get our reply?

Michael Prager

Phone: 608-225-7950

[Michael.prager@wisconsin.gov](mailto:Michael.prager@wisconsin.gov)



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**From:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>

**Sent:** Wednesday, March 31, 2021 1:36 PM

**To:** Prager, Michael A - DNR <[Michael.Prager@wisconsin.gov](mailto:Michael.Prager@wisconsin.gov)>

**Cc:** Shawn Theis <[shawn.theis@wedc.org](mailto:shawn.theis@wedc.org)>

**Subject:** WEDC Brownfield Award Recommendation Wash Haus Development LLC 52770

Good afternoon Michael,

I have a new Brownfield award request in house. When you have a moment, could you please review the details and let me know what you think? If you need more information, please don't hesitate to reach out. I greatly appreciate your assistance.

**Applicant Name**

Wash Haus Development, LLC

**Project Address**

412 E. Washington Ave., Madison, WI 53703

**Project Name**

The Continental

**BRRTS Reports**

02-13-307195

04-13-264153

**Planned Development**

Development is a 6- and 9-story mixed-use building with 148 apartments, 1,226 square feet of commercial space, and two and one-half levels of below grade parking.

**Environmental Concerns noted through environmental reports**

VOCs were detected in soil samples from GP-1 and GP-5 at concentrations exceeding the Wisconsin Administrative Code NR720 Residual Contaminant Levels (RCL) protection of groundwater pathway. VOCs were not detected in soil samples collected from GP-2 through GP-5 and GP-7. Historic urban fill material was identified in the shallow soil at GP-6. A soil sample was collected from this material to be analyzed for polynuclear aromatic hydrocarbons (PAHs). Low concentrations of PAHs were detected, well below NR720 RCLs. A soil disposal profile and agreement is in place with Waste Management to accept the contaminated soil. An estimated 13,000 tons of PCE-contaminated soil generated during excavation of the site will be hauled directly to Waste Management Madison Prairie Landfill in Sun Prairie, Wisconsin.

**Planned Remedial Activities**

Environmental activities will include:

- Coordination with a solid waste landfill to accept contaminated soil
- Coordination with the City of Madison engineering and the Madison Metro Sewerage District to handle the contaminated water from the dewatering
- Monitoring of contaminated soil and dewatering discharge during construction
- Excavation, transport and landfilling of appx 13,000 tons of contaminated soil during construction
- Soil retention to hold up sidewalls while excavating contaminated soil
- Clean fill to replace contaminated soil removed during development
- Post-development reporting to the DNR

**Budget**

**Project Budget**

<b>TOTAL PROJECT INVESTMENT INCLUDING NON-ELIGIBLE COSTS</b>				
<b>Budget Code</b>	<b>Project Activities</b>	<b>WEDC</b>	<b>First Business Bank Loan</b>	<b>Total</b>
0235	Environmental Site Work	\$410,000	\$524,600	<b>\$934,600</b>
0190	Site Clearance	\$30,000	\$254,000	<b>\$284,000</b>
0415	Infrastructure	\$0	\$115,000	<b>\$115,000</b>
<b>Total Eligible Costs*</b>		<b>\$440,000</b>	<b>\$893,600</b>	<b>\$1,333,600</b>
<b>INELIGIBLE PROJECT COSTS</b>				
0200	Construction	\$0	\$29,107,000	<b>\$29,107,000</b>
<b>Total Ineligible Costs</b>		<b>\$0</b>	<b>\$29,107,000</b>	<b>\$29,107,000</b>
<b>Total Investment</b>		<b>\$440,000</b>	<b>\$30,000,600</b>	<b>\$30,440,600</b>

\*Costs eligible for BF Funds and Matching Funds. Matching funds must equal at least \$880,000 in order for Recipient to obtain the maximum amount of the BF Funds.

The eligible environmental site work and site clearance expenses requested to be covered by Brownfield Grant funds includes the following expenditures:

- Contaminated soil excavation, hauling, and disposal, dewatering, soil retention, and clean fill replacement \$ 410,000
- Building demolition and asbestos assessment and abatement \$ 30,000
- Total** **\$ 440,000**

The matching environmental site work, site clearance, and infrastructure expenses that will be incurred include:

- Contaminated soil excavation, hauling, and disposal, dewatering,
- soil retention, clean fill replacement, soil and water monitoring and the associated documentation \$ 524,600
- Building demolition and asbestos assessment and abatement \$ 254,000
- Utility abandonment, replacement, and re-routing \$ 115,000
- Total** **\$ 893,600**

Thanks Michael, again, please let me know if you have any questions.

Shawn J Theis, EDFP  
 Senior Financial Underwriter  
 Wisconsin Economic Development Corporation  
 201 W. Washington Avenue  
 Madison, WI 53703

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