



Stantec Consulting Services Inc.
12075 Corporate Parkway Suite 200
Mequon WI 53092

December 1, 2016
File: 193704734

Attention: Ms. Elisabeth Olson; RR/5
Wisconsin Department of Natural Resources
PO Box 7921
Madison, WI 53707-7921

Dear Ms. Elisabeth Olson:

Reference: Request for State Letter of Acknowledgement for Applications by the City of Manitowoc, Wisconsin for a USEPA Community-Wide Brownfield Assessment Grant and a USEPA Site-Specific Brownfield Assessment Grant

On behalf of the City of Manitowoc, Wisconsin (the City), Stantec Consulting Services Inc. (Stantec) is requesting that the Wisconsin Department of Natural Resources (WDNR) provide a letter of acknowledgement for two grant applications being submitted by the City to the United States Environmental Protection Agency (USEPA) for a Community-Wide Brownfield Assessment Grant for Petroleum and Hazardous Substances and for a Site-Specific Brownfield Assessment grant as part of the Fiscal Year 2017 Brownfield Grant Competition.

COMMUNITY WIDE ASSESSMENT GRANT APPLICATION

Type of Grant: \$300,000 Brownfields Community-Wide Assessment Grant for Hazardous Substances (\$200,000) and Petroleum (\$100,000)

Name, Title, and Mailing Address of Person to Whom the Letter Should Be Addressed:

Mr. Nicolas Sparacio, AICP
Community Development Director
City of Manitowoc
900 Quay Street
Manitowoc, WI 54220
Phone: (920) 686-6931
Email: nsparacio@manitowoc.org

Community Concerns Related to Brownfields, Socioeconomic Challenges, and Redevelopment Needs:

The City of Manitowoc has shown a strong commitment to redevelopment of Brownfield properties and has been successful in managing and utilizing recent Brownfields grant funding by implementing four USEPA Community Wide Assessment Grants, one USEPA Brownfields Revolving Loan Fund Grant, and leveraging considerable private investment, public investment, and multiple state Brownfield site assessment grants.

Three low-income disadvantaged target Census Tracts located in the downtown corridor have been disproportionately impacted by Brownfield properties and continue to struggle to recover from recent economic disruptions. The City's Brownfields GIS Database has identified over 343 acres of land within the target Census Tracts as potential Brownfield properties. The abundance of daycares (n=12), parks (n=8), schools (n=16), and public facilities (n=15) located within the target tracks undoubtedly places sensitive receptors in close proximity to legacy environmental impacts from Brownfield properties. With respect to legacy petroleum impacts in the three target Census Tracts, the City's Brownfields GIS database has identified at least 457 active petroleum underground or above ground storage tanks,



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55 petroleum environmental cleanup fund award projects, and over 90 additional properties that were historically associated with petroleum use. With respect to legacy hazardous substances impacts in the three target Census Tracts, the City's Brownfields GIS Database has identified at least 55 active non-petroleum (chemical) underground or above ground storage tanks, 82 non-petroleum WDNR environmental repair program cases, 89 non-petroleum cases tracked in the WDNR solid and hazardous waste information system, and 210 cases being tracked in one or more USEPA environmental databases. In addition, community members have identified approximately 45 acres of land located in the three target Census Tracts that were potentially used as historic dump sites. Identified Brownfield sites include several major sites that have only been partially assessed to date, such as the 900,000 square foot vacant former Mirro Corporation manufacturing facility (for which it has been estimated that future demolition and asbestos abatement costs alone may exceed \$3 million).

The USEPA assessment grants, if awarded, would enable Manitowoc to significantly increase the number of contaminated or potentially contaminated sites assessed, as well as to further support economic development efforts and create of green space. The assessment and eventual cleanup of the City of Manitowoc's brownfields is consistent with community needs, vital to the local economy and will help bring needed improvements to the quality of life for the City's residents.

SITE-SPECIFIC ASSESSMENT GRANT APPLICATION

Type of Grant: \$350,000 Brownfields Site-Specific Assessment Grant for Hazardous Substances for the former Mirro Plant

Name, Title, and Mailing Address of Person to Whom the Letter Should Be Addressed:

Mr. Nicolas Sparacio, AICP
Community Development Director
City of Manitowoc
900 Quay Street
Manitowoc, WI 54220
Phone: (920) 686-6931
Email: nsparacio@manitowoc.org

Community Concerns Related to Brownfields, Socioeconomic Challenges, and Redevelopment Needs:

The Manitowoc area has experienced many economic challenges over recent decades associated with globalization and its impact on the manufacturing sector which historically provided the foundation for the City's prosperity. Rising global competitiveness and off-shoring to reduce labor costs, resulted in major job losses. In 2003 the former Mirro Plant (the property targeted for this site-specific assessment grant) closed; initial economic impact was the loss of an estimated \$19,000,000 in annual wages and benefits associated with the 1,150 relatively high wage manufacturing jobs.

The former Mirro plant is probably the most blatant example of the economic impact of brownfields on Manitowoc and its residents. A direct impact to the City was the loss of property tax revenues which totaled \$557,000 for the ten (10) Mirro facilities in 2003 – the year of closure. For comparison, in 2010, the property tax levied at the Site was only \$5. The direct financial impact to the City from the Mirro sites since their closure in 2003 is far greater than the approximate \$3.5 million in lost real and personal property tax revenue that would have been collected during 2004-2010, as the facilities were also providing more than \$2,500,000 in annual electric, water, and wastewater utility charges. It is estimated



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that approximately 80% of these lost fees represent true lost revenue to the City, which would total nearly \$15,000,000 for the Mirro properties alone since the closure. Because of the extraordinary health and safety threat posed by a potential arson fire at the Site, the City purchased an aerial truck with a 100' reach (capable of using compressed air foam that helps put out Class "A" fires quicker) for \$750,000 specifically to have equipment with the capability of effectively fighting a fire at the Site should one occur. Further, as described below, the Community Development Authority of the City of Manitowoc was forced to involuntarily acquire the property for the purpose of blight elimination to remove this extraordinary health and safety threat to the community. The City has bonded \$2,400,000 to pay for demolition of the remaining buildings and is optimistic that once the buildings are demolished, market forces will facilitate redevelopment.

Property Address:

1512 Washington Street
Manitowoc, Wisconsin

History of Ownership

The property was purchased from Newell Holdings Delaware, Inc. by Union Street Partners, LLC on March 26, 2004 who sold the property to Kenneth J. Lemberger, Sr. on November 18, 2005. The property was transferred to Mirro Building, LLC on March 23, 2006 and EJ Spirtas Manitowoc, LLC purchased the property from Mirro Building, LLC on June 2, 2006. After acquiring the property, the EJ Spirtas Manitowoc, LLC began demolition of the buildings to facilitate removal of recyclables. To prevent unsafe work practices and protect the public, the City placed a "stop work" order on the property on January 22, 2015. On June 26, 2015, the City issued a raze order to EJ Spirtas for the Property under Wis. Stat. § 66.0413. On July 27, 2015, EJ Spirtas petitioned the Manitowoc County Circuit Court for a restraining order against the raze order. On September 29, 2015, the court ruled in favor of the City, upheld the raze order, and dismissed the restraining order request. EJ Spirtas subsequently filed an appeal to the Court's dismissal of the restraining order request, but on May 4, 2016, EJ Spirtas withdrew the appeal in compliance with a settlement agreement with the City.

A Phase I ESA was completed on June 28, 2016 and ownership of the property was transferred to the Community Development Authority of the City of Manitowoc on June 29, 2016 under Wis. Stat. ch. 66 for the purpose of blight elimination. As summarized below, due diligence investigations have continued at the Site utilizing the City's FY15 USEPA Community-Wide Brownfield Assessment Grants.

History of Prior Use

As described in the Stantec (2016) Phase I ESA, the property appears undeveloped in 1835. By 1878, the property was platted as 18 contiguous parcels within lot 246; however, development had not yet occurred. A plat map published in 1878 indicates Sherman Creek bisected the far northwestern portion of the property and the creek flows north to the Manitowoc River. Initial development of the property appears to have occurred between 1878 and 1893, at which time, the property was occupied by a tannery and 6 apparent residential structures. By 1906, the property consisted of 13 individual residential dwellings and associated automobile garages, a tannery, and a small aluminum manufacturing plant. By 1921, Sherman Creek had been contained within a culvert, residential structures removed, and most the property occupied by a large industrial facility utilized for the manufacturing of aluminum goods. Significant development of the property for industrial use as a multi-story aluminum goods manufacturing facility occurred between 1906 and 1912 and again between 1912 and 1927. The last multi-story building was constructed at the property adjacent to Washington Street by 1929. Industrial



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operations ceased at the Site in 1986; however, the Mirro Aluminum Company corporate and engineering offices remained on the 6th and 7th floors of the building until 2001.

BRRTS Case Numbers

Address:	1512 Washington Street; Manitowoc, Wisconsin
Tax Parcel:	052-000-246-000.00
Open BRRTS No:	02-36-545108
Closed BRRTS Nos:	03-36-274209, 02-36-216391, 03-36-000085, 04-36-049803, 04-36-223347, and 04-36-046037

USEPA and WDNR Brownfield Eligibility Determinations

Utilizing funding from the City's FY15 Community-Wide Brownfield Assessment Grant, the City submitted a hazardous substances brownfield eligibility determination request to USEPA on June 14, 2016. The USEPA project manager (Mr. Jon Peterson) approved the eligibility determination in a letter dated June 23, 2016.

Utilizing funding from the City's FY15 Community-Wide Brownfield Assessment Grant, the City submitted a petroleum brownfield eligibility determination request to WDNR on October 17, 2016. The WDNR project manager (Mr. Michael Prager) approved the eligibility determination in a letter dated October 18, 2016.

A Brownfields Revolving Loan Fund Subgrant Eligibility determination to support asbestos abatement was submitted to USEPA on September 28, 2016. The USEPA project manager approved the eligibility determination via email on September 28, 2016.

Summary of Due Diligence Investigations and Identification of Environmental Impacts

Multiple phases of environmental site assessment have occurred at the Site. Subsurface soil and groundwater investigations completed between 2005 and 2015 primarily focused on easily accessible areas. The WDNR prepared a clarification of the local government unit liability exemption letter in 2016 which letter confirms discharges of petroleum, chlorinated volatile organic compounds (VOCs), polycyclic aromatic hydrocarbons (PAHs), Resource Conservation and Recovery Act (RCRA) metals, and polychlorinated biphenyls (PCBs) to soil and/or groundwater. Further, the WDNR (2016) letter confirms several legacy issues related to the buildings, including asbestos, PCBs, lead, and other hazardous substances/materials.

Assessment work completed since June 2016 has focused primarily on identifying, delineating, and quantifying hazardous building materials to prepare the buildings for demolition. Asbestos abatement has begun and the City is targeting building demolition for Spring 2017. Following demolition, large portions of the property will become accessible and a site-wide Ch. NR 716 Site Investigation can be completed to prepare the Site for remediation and redevelopment.



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To facilitate the submittal of the grant applications, we request you copy us on the email transmittal of the acknowledgement letter to the City.

We trust this information meets your needs. Please feel free to contact me at 414-581-6476 if you have any questions or concerns.

Regards,

STANTEC CONSULTING SERVICES INC.

A handwritten signature in blue ink that reads "Harris L. Byers".

Harris L. Byers
Sr. Brownfields Project Manager
Phone: 414-581-6476
Harris.Byers@stantec.com

STANTEC CONSULTING SERVICES INC.

A handwritten signature in blue ink that reads "Lindsey Christopherson".

Lindsey Christopherson
Brownfields Project Coordinator
Phone: (262) 649-0124
Lindsey.Christopherson@stantec.com

- c. Nicolas Sparacio, City of Manitowoc, Wisconsin
Tauren Beggs, WDNR
Jon Peterson, USEPA Region 5 Brownfields Program