From: Schmidt, Molly E - DNR

Sent: Thursday, November 17, 2022 12:32 PM

To: Adam Tegen

**Cc:** Byers, Harris; Beggs, Tauren R - DNR; Chronert, Roxanne N - DNR

**Subject:** DNR Acknowledgement Letter - EPA Cleanup Grant **Attachments:** Manitowoc MARC\_Cleanup Ackn Letter - 11-2022.pdf;

Manitowoc\_MARC\_Attachment\_Request.pdf

Hello Adam,

Attached is the requested DNR acknowledgement letter for an EPA cleanup grant, along with one attachment to this letter.

Thank you,

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## Molly E. Schmidt

Program and Policy Analyst, Remediation and Redevelopment Program Division of Environmental Management Wisconsin Department of Natural Resources Mobile phone: (608) 219-2153

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State of Wisconsin **DEPARTMENT OF NATURAL RESOURCES** 101 S. Webster Street Box 7921 Madison WI 53707-7921

Tony Evers, Governor Preston D. Cole, Secretary Telephone 608-266-2621

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November 17, 2022

Adam Tegen **Executive Director** Community Development Authority City of Manitowoc 900 Quay Street Manitowoc, Wisconsin 54220 Via Email Mail Only to ategen@manitowoc.org

**Subject: State Acknowledgement Letter for City of Manitowoc FY23 EPA Brownfield Cleanup Grant** 

Dear Adam Tegan:

The Wisconsin Department of Natural Resources (DNR) acknowledges the application of the city of Manitowoc for the U.S. Environmental Protection Agency (EPA) brownfield grant identified above.

The DNR is fully committed to a collaborative partnership with the city of Manitowoc, and is able to support your brownfield assessment and remediation efforts in many ways, including:

- The DNR can identify key state and federal contacts for your specific project and coordinate Green Team meetings with individuals in your community to answer questions and discuss local plans, options and best practices.
- The DNR can assist you in identifying and obtaining additional financial assistance from state-managed grant and loan programs.

Obtaining U.S. EPA funding for this grant application is consistent with community needs, is vital to the local economy and will help bring needed improvements to the quality of life for residents. Federal funding will also help initiate cleanup activities, create jobs and leverage local investments in brownfield redevelopment.

# FY23 Cleanup Grant: Site(s) Eligibility, Characterization, and Readiness for Remediation

For FY23, EPA requests that certain applicants for cleanup grants submit a letter from the state describing site eligibility and whether there is "a sufficient level of site characterization from the environmental site assessment performed to date (or will be by June 15, 2023)."

- Eligibility. This property is undergoing cleanup under Wisconsin's cleanup program and its governing administrative code, Wis. Admin. Code chs. NR 700-799, and statute, Wis. Stat. ch. 292. The state cleanup program is regulatory and nonvoluntary. This property is eligible for the Voluntary Party Liability Exemption program under Wis. Stat. § 292.15; however, the applicant has not indicated interest in enrollment at this time.
- Site characterization status. The applicant has not submitted a site investigation report at this time. The applicant's recent site investigation status update (submitted 10/18/2022) indicates it will submit a site investigation report by the end of December 2022.



- *Timeframe*. For the property described in the attached email request, dated October 18, 2022, the applicant has represented the following timeframe to the DNR:
  - Site investigation scoping required under Wis. Admin. Code § NR 716.07 was completed by Stantec and onsite work began in May 2022. The vertical and horizontal extents of impacts to soil in the Phase 2 Redevelopment Area are delineated. However, continued evaluation of VOC impacts to groundwater in the vicinity of the former oil house is warranted to confirm the presence and delineate the extents of petroleum and/or solvent impacts.
  - Supplemental groundwater sampling is scheduled for the week of October 17, 2022. Laboratory results are expected within two weeks following the sampling event. Stantec will review the laboratory results upon receipt and, if necessary, evaluate the need for additional sampling. Supplemental groundwater sampling will be completed in November 2022, with the goal of submitting the Site Investigation Report to WDNR for review by the end of December 2022.

Based on this representation, regulatory timeframes, and review timeframes, the DNR believes that it is feasible that site characterization will be complete by June 15, 2023.

Sincerely,

Christine Sieger

Christine Sieger, Director Remediation and Redevelopment Program Wisconsin Department of Natural Resources

Attachment:

Request email dated October 18, 2022

cc:

Roxanne Chronert, DNR NER – roxanne.chronert@wisconsin.gov Tauren Beggs, DNR NER – tauren.beggs@wisconsin.gov Harris Byers, Stantec – harris.byers@stantec.com From: Byers, Harris <Harris.Byers@stantec.com>

Sent: Tuesday, October 18, 2022 6:17 PM

**To:** Schmidt, Molly E - DNR

**Cc:** Beggs, Tauren R - DNR; Adam Tegen

**Subject:** Request for a Letter of Acknowledgement for the Manitowoc CDA's FY22

**USEPA Brownfield Cleanup Grant Application** 

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

#### Molly:

On behalf of the Community Development Authority (CDA) of the City of Manitowoc, Wisconsin (City) I am writing to request a letter of acknowledgement to support the CDA's USEPA FY2023 brownfield cleanup grant application.

Below are the details of the project to support the letter:

1. Type of Grant: \$500,000 cleanup grant

2. Applicant: Adam Tegen

**Executive Director** 

Community Development Authority of the City of Manitowoc, Wisconsin

900 Quay Street

Manitowoc, Wisconsin 54220 ategen@manitowoc.org

3. Community Concerns About the Property: The City of Manitowoc (City), Wisconsin is located on the western shoreline of Lake Michigan at the confluence of the Manitowoc River (River). Development in Manitowoc in the early 1800s by European settlers was agricultural, fishing, lumber, and shipbuilding. Settlement was followed in the mid-late 19th Century by large-scale industrial development (tanneries and metal works/foundry operations) in Block Group 5 (BG-5), which is the historic industrial portion of Census Tract 4 (CT-4). However, manufacturers struggled to move large quantities of goods into and out of Manitowoc solely by rail. The Target Area in BG-5 (referred to locally as the River Point District) forms a 21-acre peninsula into the Manitowoc River with 3,500 linear feet of frontage, which made it uniquely suitable for development as a railroad loading/transloading yard and shipping port in the late 19th Century. As a bi-modal port, early operations at the River Point District allowed direct rail access onto cargo ships meaning goods could be carried by rail directly from factories in Manitowoc and driven onto cargo ships at the River Point District for transport and delivery to other ports on the Great Lakes. The collapse of manufacturing in the 1970s resulted in hundreds of potential brownfield sites in the area and contributed to a loss of thousands of jobs and millions of dollars in taxes/wages with the economy of the area crumbling.

After decades of negotiations, the Community Development Authority of the City of Manitowoc (<u>CDA</u>; <u>the grant applicant</u>) acquired the River Point District in April 2019 for the purpose of blight elimination and has invested over \$4,300,000 in the property to date. The Phase 2 Redevelopment Area (defined herein as the "<u>Target Property</u>") consists of all or portions of 10 contiguous parcels of land totaling approximately 6 acres and forming the western portion of the River Point District.

Prolonged industrial (e.g. bulk petroleum storage, grain elevator, material transloading) and railroad (e.g. rail yard) operations at the Target Property have resulted in considerable need for USEPA funding to cleanup environmental contamination which exceeds state cleanup levels at this brownfield. The greatest needs to be addressed with cleanup and redevelopment are (1) increased residential/worker housing options to support rebuilding the downtown commercial district, (2) increased commercial and appealing retail amenities to increase jobs and attract outside businesses, and (3) increased greenspace to connect multi-modal trails. The cleanup and eventual redevelopment of the Target Property and the greater Target Area is consistent with community needs and will bring catalytic improvements to the quality of life in Manitowoc to address significant blight, poor economic conditions, and welfare.

All structures at the Property were recently removed, and the Property is unoccupied. This 6-acre Property represents the greatest potential to catalyze immediate economic investment in downtown Manitowoc. However, soil and groundwater are known to be impacted by heavy metals, polycyclic aromatic hydrocarbons, and volatile organic compounds. The risks to human health from identified contaminants include birth defects, cancer (liver, brain, lung), and nervous system and reproductive system damage. The Target Property is located along 1,000 feet of the Manitowoc River shoreline, which flows to Lake Michigan, approximately ½ mile downstream. The proximity of the Target Property to the River puts critical surface water at risk from contaminant migration.

### 4. Site-Specific Details for Cleanup Grants

**Property Address.** Phase 2 Redevelopment Area of the River Point District, 13<sup>th</sup> Street and River Point Drive; Manitowoc, Wisconsin

**History of Ownership.** As described in the Stantec (2019) Phase I Environmental Site Assessment (ESA), the River Point District consists of a 20.1-acre peninsula bound to the north, south, and west by the Manitowoc River and bound to the east by North 10th Street and North 11th Street (excluding 1000 River Point Drive, which is currently being redeveloped for multifamily reuse). The River Point District appears undeveloped in 1835; however, the proximity of the peninsula to the Lake Michigan/Great Lakes shipping route facilitated initial development in the Phase 2 Redevelopment Area by 1868 to support the shipping industry. Although ownership records are not available, a panoramic map drawn in 1886 indicates the Phase 2 Redevelopment Area was fully developed and occupied by several large apparent industrial buildings and smaller apparent commercial buildings.

Historic records indicate the River Point District was transferred from the Manitowoc Terminal Company to the Manitowoc and Western Railroad Company on July 22, 1895, which is consistent with railroad development in the late 19th Century. Assessor records suggest the River Point District was later transferred to the Soo Line Railroad Company and ultimately transferred to Wisconsin Central, Ltd. (WCL) sometime during the latter half of the 20th Century. Railroad use of the River Point District ceased in the 1980s and the River Point District was formally decommissioned by the railroad in the 2000s. As summarized in the Stantec (2019) Phase I ESA, the PINs appear to correspond to leases between the previous owner and a variety of historic commercial/industrial tenants/occupants (discussed below).

**Current Owner.** A Phase I ESA was completed by Stantec (2019) per the All Appropriate Inquiries rule detailed in 40 CFR §312.21 on behalf of the current owner (CDA) on March 21, 2019. The current owner acquired the River Point District (which includes the Property) on April 12, 2019 for the purpose of blight elimination and subsequently received a Local Governmental Unit (LGU) Environmental Liability Exemption from the Wisconsin Department of Natural Resources (WDNR) per ch. 292.11(9) of the WAC on March 18, 2019 under WDNR Bureau for Remediation and Redevelopment Tracking System (BRRTS) Case Number 07-36-583000. To facilitate redevelopment of the Property, the City is conducting the subsurface investigation in a phased manner. Since taking ownership, the CDA has maintained compliance with the required continuing obligations and no records have been identified indicating the CDA is considered

potentially liable or known to be affiliated with any other person that is potentially liable for contamination at the Property. Proposed redevelopment includes road rights of way, riverwalk/green space, multi-family residential townhomes, and a restaurant.

Prior Landuse and Historic Tenants. The majority of the Phase 2 Redevelopment Area was developed for railroad use by 1895 and remained in railroad use through most of the 20th Century. Key features include a long rectangular warehouse and multiple railroad spur lines. The far northern portion of the Phase 2 Redevelopment Area includes portions of the River Point District formerly used by the Manitowoc Ship Building and the Laird Lumber Company. The eastern portion of the Phase 2 Redevelopment Area was developed for bulk petroleum storage/handling in the mid-20th Century. Petroleum handling features included a pump house, an oil house, and several large aboveground petroleum storage tanks. A grain elevator was constructed on the far eastern portion of the Phase 2 Construction Area between 1894 and 1900, with expansion between 1900 and 1919 by the "Northern Grain Co". The grain elevator fell into disrepair in the late 20th Century and was ultimately demolished in 2001.

**Prior Assessment Activities and BRRTS Numbers.** Numerous prior environmental investigations were completed at the Property while the property was owned by the railroad. The prior closed WDNR BRRTS Case numbers associated with the Property (Case No. 03-36-001962, Case No. 02-36-176478, and Case No. 02-36-000408) are summarized below.

- BRRTS Case No. 03-36-001962. The Wisconsin Department of Commerce issued a
  closure letter on October 17, 2005 for BRRTS Case No. 03-36-001962 following
  excavation of petroleum impacted soil and listing the property on the GIS registry of
  closed remediation sites as an institutional control to manage residual petroleum impacts
  to soil and groundwater.
- BRRTS Case No. 02-36-176478. WDNR issued a closure letter for BRRTS Case No. 02-36-176478 on February 22, 2007. Continuing obligations include an annual inspection and maintenance of an engineered barrier to control for residual impacts to soil and groundwater along with continuance of institutional controls.
- BRRTS Case No. 02-36-000408. WDNR closed BRRTS Case No. 02-36-000408 on April 6, 1993.

Current Assessment Activities and Open BRRTS Case. Using a combination of multiple USEPA Brownfield Assessment Grants and WEDC Site Assessment Grants, the City completed several rounds of soil and groundwater sampling between 2018-2022 and documented the results in a multiple environmental reports (e.g. Phase II ESAs, Site Investigations, Supplemental Investigations, etc.), all of which have been submitted to WDNR for review and comment. The WDNR opened a new BRRTS case for the Property:

- BRRTS Case No. 07-36-583000 (LGU). WDNR issued a local government unit liability exemption for the Property.
- BRRTS Case No. 02-36-585491 RIVERPOINT DISTRICT. As noted in the Phase II ESA, a variety of constituents (including heavy metals, volatile organic compounds, polycyclic aromatic hydrocarbons, and per-and polyfluoroalkyl substances) were detected in soil and groundwater at concentrations greater than health-based standards. Assessment work is continuing at the River Point District ahead of planned redevelopment.

**Need for Cleanup.** The City began Phase I of construction on roughly 7 acres of land in 2021, which directly leveraged \$3MM in construction of new public infrastructure (i.e. roads, utilities, etc). Work completed during Phase I facilitated construction of a new large multi-family apartment complex at 1000 River Point Drive, which is currently under construction. Phase II of

construction is scheduled for 2023 and will include construction of new road rights of way, riverwalk/green space, multi-family residential townhomes, and a restaurant. However, Phase 2 of construction will be extended through areas of significant subsurface contamination. The City is seeking cleanup funding from USEPA for removal of apparent source material associated with previous bulk petroleum storage and construction of vegetated engineered barriers in the proposed greenspace/parkland, multi-family residential townhomes, and the restaurant. Based on the work to date, additional cleanup work is need to prepare the target property for planned reuse. However, given the current economic condition of the City, the local community cannot self-fund this work; therefore, a cleanup grant is being sought from USEPA.

**Statement on VPLE.** The City does not plan to enroll the project in VPLE.

**Schedule.** As described in the recent Site Investigation Status Update Letter, Site Investigation scoping as required by Section NR 716.07 WAC was completed by Stantec and onsite work began in May 2022. The vertical and horizontal extents of impacts to soil in the Phase 2 Redevelopment Area are delineated. However, continued evaluation of VOC impacts to groundwater in the vicinity of the former oil house is warranted to confirm the presence and delineate the extents of petroleum and/or solvent impacts.

Supplemental groundwater sampling is scheduled for the week of October 17, 2022. Laboratory results are expected within two weeks following the sampling event. Stantec will review the laboratory results upon receipt and, if necessary, evaluate the need for additional sampling. Supplemental groundwater sampling will be completed in November 2022, with the goal of submitting the Site Investigation Report to WDNR for review by the end of December 2022.

Final redevelopment plans are expected by January 1, 2023. A combined Remedial Action Plan / Material Management Plan (RAP/MMP) will be tailored to the proposed redevelopment and submitted to WDNR in February 2023 with the goal of having the Property ready to begin cleanup/redevelopment work by Spring 2023. The proposed redevelopment in the Phase 2 Redevelopment Area is conceptually similar to the Phase 1 Redevelopment Area. As such, the RAP/MMP for the Phase 2 Redevelopment Area is expected to be an extension of previous RAPs/MMPs.

Please call with any questions on this request. We look forward to working with WDNR as the redevelopment

### Harris Byers, Ph.D.

Sr. Brownfields Project Manager Contaminant Hydrogeologist / Urban Geochemist

Direct: 414 581-6476 Harris.Byers@stantec.com

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