



Community Development Authority
October 27, 2020
6:00 p.m.
Civic Center Council Chambers

1. Call to order:
 - Alderman Damon, Alderman Feirer, Richard Grubanowitch, Brian McManus, Ralph Voltner, Jim Paradinovich, Sandy Jaskulski
2. Minute Approval:
 - July 28, 2020 - [minutes of cda july 28 2020](#)
3. Discussion with Possible Action:
4. Updates on City Projects:
 - 2300 E. Layton Avenue
 - 2918 & 2922 E. Layton Avenue
 - 3680 S. Kinnickinnic Avenue
 - 3815 S. Kinnickinnic Avenue
 - 3901 S. Lake Drive
 - 4118 S. Pennsylvania Avenue
 - 4130 S. Kansas Avenue
 - 4200 S. Lake Drive
5. Adjourn

PUBLIC NOTICE

Upon reasonable notice, a good faith effort will be made to accommodate the needs of individuals to participate in public hearings, which have a qualifying disability under the Americans with Disabilities Act. Requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the St. Francis City Clerk at 481-2300. The meeting room is wheelchair accessible from entrances.

NOTE: There is a potential that a quorum of the Common Council may be present.

**MINUTES OF THE COMMUNITY DEVELOPMENT AUTHORITY
MEETING HELD JULY 28, 2020; 6:00PM**

Members Present: Alderman Matt Damon, Alderman Shawn Feirer, Chairman Ralph Voltner, Committee Members Richard Grubanowitch, Brian McManus, Jim Paradinovich.

Excused: Committee Member Sandy Jaskulski.

Also present: City Administrator Mark Johnsrud, City Engineer Melinda Dejewski, representing We Energies Frank Dombrowski, representing Ramboll Environmental Nathaniel Keller and Julie Zimdars, representing Sigma Environmental Stephen Meer.

1. Call to Order:

The meeting was called to order at 6:03pm. Roll call was taken by City Engineer Dejewski.

2. Minute Approval:

A motion was made by Alderman Damon, seconded by Committee Member Pardinovich to approve the minutes of the meeting held June 23, 2020. Motion carried.

3. Discussion with Possible Action:

A motion was made by Committee Member Grubanowitch, seconded by Alderman Damon to suspend the agenda to take the second item – WE Energies re: updates on closure for properties on KK and Howard – first. Motion carried.

WE Energies re: updates on closure for properties on KK and Howard

Chairman Voltner asked WE Energies to provide an update.

Mr. Dombrowski of WE Energies provided a brief history of the land that had been owned by WE Energies until 2010. He stated that WE Energies has been working with the DNR for over 10 years to obtain closure for the lands WE Energies owned including the areas that the City currently owns and is proposing to market for development. From the DNR prospective, all approximately 108 acres is one site or case. But the 108 acres is actually many parcels of land. There are also several different areas of the 108 acres that had different uses and therefore different remediation requirements. Over time, the requirements for closure have changed from the DNR regulatory side making it difficult to obtain closure.

Mr. Dombrowski also stated that closure requirements can be based upon an end use such as a development. The issue with the DNR still considering the land one case is that the closure requirements would be applied to the entire area. It therefore would be recommended to petition the DNR to break different parts of the land into separate cases. The City and WE Energies work together to obtain a closure plan for each site the City wants to develop.

Mr. Keller stated that in early 2000, coal and ash were identified on the site. There was a large scale remediation effort and the coal/ash were removed and/or consolidated. In 2005/2006, a clay cap was added in areas where remediation had taken place. In 2018, ash residuals were discovered near the surface of parts of the land. WE Energies proposed a remediation plan but the DNR has made significant comments and WE Energies is working on a strategy to address those comments.

Mr. Keller specifically addressed the corner of Howard and Kinnickinnic. On these sites, there are residuals of ash, coal, arsenic and PAHs. PAHs are common to find in areas like roads that carry traffic or in areas of coal usage/storage. PAHs decrease over time.

Chairman Voltner stated that the CEO of WE Energies and WISPark promised to clean up the entire site due to the City basically being a dumping ground for the power plant for many years. He hopes that even though all the people who made those promises are now retired, WE Energies is still committed to the cleaning of the site.

Chairman Voltner also wanted to disclose he personally owns 300-400 shares of WE Energies stock

He continued that he hopes that WE Energies will make the remediation of the St. Francis sites a priority before everyone else retires. The City did not purchase the land to have the City be liable for the remediation or to get excuses about the DNR. He would like to see the remediation get done quickly.

Mr. Dombrowski stated that WE Energies is committed to work with the City and the first place to start would be to get the land broken into individual cases so that individual closure plans can be developed for each area to help when developers come forward.

Chairman Voltner stated that if the land was remediated, the DNR would not be an issue. It may cost more to complete the remediation ahead of the development, but it should be remediated in his opinion. He does understand though that it can be more difficult to remediate if the location and types of development are unknown.

Committee Member McManus inquired if there was a remediation plan for areas that just was not implemented. Mr. Keller responded that the area in question did not have enough soil to be considered a cap and there was no plan on file.

There was discussion on different areas of the former WE Energies lands and the remediation efforts. It was stated that 72 of the 108 acres are outside of the designated developable areas are subject to the restrictive covenant unless it was re-negotiated.

City Administrator Johnsrud stated that the City had looked at the developable areas. The first focus is on KK and Norwich which the City is proposing residential development. He asked if there were any potential issues from WE Energies. Ms. Zimdars stated that the area was not part of WE Energies. Mr. Dombrowski concurred. Chairman Voltner inquired what would happen if ash was found on lands adjacent to the WE Energies sites. It was stated that WE Energies has stepped in and assisted with remediation efforts due to the ability to discover and attribute the ash to the historical use in the area.

Alderman Feirer asked how soon could the closures occur. Mr. Dombrowski stated that if efforts are focused on getting separate cases for the different developable areas, then it should move fairly quickly. The closure would be to a point because without an end user, the DNR will not completely close a project without a cap. So the agreement with the DNR would be to have the DNR concur with the remediation process and any potential development restrictions and then when the development comes forward and is completed, the DNR issues a closure letter.

There was discussion regarding placing a cap compared to waiting until a known development comes forward and the associated costs with both options. City Administrator Johnsrud asked if WE Energies had an enterprise fund to assist with development financing. Ms. Zimdars stated no due to PSC rules. Chairman Voltner stated that the City did not purchase the land to have 60 – 80% not usable. The City was given assurances that help would be available and even though the people who made the agreement are retired, a handshake is a handshake.

Alderman Damon stated that he appreciated the history and information discussed. He would like the City to continue the proactive approach to developing the lands.

No action was taken on this item.

A motion was made by Alderman Feirer, seconded by Committee Member McManus to resume the agenda. Motion carried.

Sigma re: properties owned by City on KK and Howard

City Administrator Johnsrud introduced Stephen Meer of Sigma. Administrator Johnsrud stated that Sigma had been chosen through the RFP process for the Bolivar Avenue site. Sigma is very qualified to represent the City to work with WE Energies on the closure of these sites. Staff is recommending retaining Sigma to assist the City during the process.

Mr. Meer stated that he agrees with the information provided by We Energies and Ramboll. He stated that case closure ends up incorporating the development as part of the closure documents. DNR seems concerned about capping the residual material. The main concern would be impact on groundwater. He continued that the Bolivar Avenue property is similar. The DNR is not requiring more information but the City cannot go any further without an actual development. The City could put a temporary cap on but then the City ends up removing it. It does not make financial sense. Mr. Meer added that for the majority of projects like Bolivar Avenue or these sites, the redevelopment plans are a component of the closure documentation. If the DNR approves the concept of the development, often a letter from the DNR stating that it concurs with the concept will be enough for the bank to provide financing.

Alderman Damon inquired if there was an option to get closure with a cap but then reopen the site. Mr. Meer responded that sites can obtain closure with a cap. The issue becomes that when the redevelopment comes forward, then the City would need to go back to the DNR, get approval to change the cap and address the risks again. Basically, the City would have to go through the closure process again. This process can be worse the second time because the cap gets its own set of restrictions so there are additional issues with re-opening a closed case.

Alderman Feirer clarified that the recommendation for the sites would be to get a plan and get close to be able to get an assurance form the DNR that no further investigation is necessary. Then the City could solicit for development. City Administrator Johnsrud stated that the Common Council has approved plans by Ayres for 2-3 story development that would require footings but now is wondering if single story would be better. Mr. Meer stated that is actually a question for a geotechnical engineer. The environmental question would be would the footings create a pathway to groundwater and would that be a significant impact. Mr. Dombrowski stated that often there is a material management plan for the property and WE Energies would assist with costs related to impacted soils or groundwater due to WE Energies former use of the land. Mr. Keller added that the existing groundwater wells are down gradient of the KK/Howard intersection. There are no known impacts to the groundwater at the KK/Howard intersection. Mr. Dombrowski stated that WE Energies wants to work cooperatively to develop plans that achieve the City's desired outcomes with minimal impact to the area which is more desirable to the DNR.

A motion was made by Alderman Feirer, seconded by Committee Member Paradinovich to recommend to the Common Council for the City to retain Sigma for environmental services in relationship to the development of the former We Energies properties in the KK Corners catalytic area.

On the discussion, Alderman Damon asked if the City needed a consultant, would an RFP process be needed to select a consultant and get competitive bids. City Administrator Johnsrud stated that this situation would be difficult to define a scope of services and Sigma had been chosen through an RFP process for the Bolivar Avenue site. Mr. Dombrowski stated that WE Energies, as the responsible party, would be responsible for obtaining the closure documents. City Engineer Dejewski added that the City has other consultants on "retainer" for projects like stormwater plan review. The City sends all stormwater plans to AECOM for review because they have the computer models to check the work of the developer's engineers. Also, AECOM has developed all the City's stormwater management plans so they are the firm the City uses for stormwater questions. The City only uses them when necessary. This would be a similar situation with Sigma. The closure is not the expertise of City staff so staff would reach out to Sigma to review documents, answer questions and provide guidance when asked.

Motion carried.

Update on City Projects:**1306 East Bolivar**

Mr. Meer stated that the site is done enough so the DNR will not require more work. It does not make sense to go further until there is an actual development. Then a closure plan can be development and closure can be obtained based on the specific plan. City Administrator Johnsrud stated that he has had some inquiries but nothing that meets the City's desired \$1,500,000 in value goal for the site. He added that while the land is not being advertised with a specific agent, the word is definitely out. The City had to pay \$40,000 or 10% of the sale to the commercial real estate agent for the 2517 E. Norwich site so he wanted to try to market the property without an agent for a while to save some costs.

4200 On The Lake (Campbell Development)

City Administrator Johnsrud stated that the project was on schedule. There were some issues with MDF but an agreement has been reached with Campbell to utilize the MDF in non-"wet" areas and the development would get upgraded appliance packages and all the window sills will be quartz.

St. Francis Brewery

City Administrator Johnsrud stated that there are 2 parcels – one with the restaurant and one with the warehouse. The B2 zoning is very helpful in marketing the warehouse to keep the redevelopment in a similar manner to the surrounding area.

Adjourn

It was requested that the Former City Hall Site be placed on the next agenda for an update.

A motion was made by Alderman Damon, seconded by Alderman Feirer to adjourn. Motion carried. Meeting adjourned at 7:44pm.