



THE BROWNFIELDS STUDY GROUP 2007

Members

John Antaramian
Nancy Frank
Arthur Harrington
Steve Hiniker
Bruce A. Keyes
Larry Kirch
Peter McAvoy
Dave Misky
Tom Mueller
Peter Peshek
John Stibal
Joy W. Stieglitz
Mark Thimke
Scott Wilson

August 9, 2007

Committee of Conference Members
Wisconsin State Legislature
State Capitol
Madison, WI 53707

Honorable Legislators,

On behalf of the Wisconsin Brownfields Study Group members noted in this letter, I am writing on the matter of funding for adequate staffing of the DNR's Remediation and Redevelopment Program. I am a private legal practitioner who has extensive experience on brownfield projects, and I also have the privilege to serve on the Brownfields Study Group.

I know I speak for the members of our Study Group when I share my opinion that DNR employees who are employed under this program are some of the most dedicated public servants for the State of Wisconsin. They have provided extraordinary service to those of us who are engaged in facilitating the productive reuse of contaminated properties, and this program of brownfield assistance has helped Wisconsin's economy in the following ways:

- o DNR and Commerce have assisted 150 brownfields projects since 1988, creating an estimated 5,800 new, full-time jobs, increasing the taxable property value by \$210 million and reclaiming 1,350 acres of brownfields properties;
- o since 2000, DNR has awarded \$11.6 million dollars for 352 brownfields site assessment grants, to help fund activities on more than 1,000 acres of contaminated land; in the most recent grant cycle, more than half the funding went to *rural* communities or counties;
- o DNR received one of the largest federal brownfields grants in the nation, \$4 million, to create a new brownfields grant and revolving loan program; and
- o to date, DNR, Commerce and DATCP have approved final cleanups at more than 18,000 contamination incidents across the state.

The cumulative affect of these efforts is revealed in a recent national report entitled *Unlocking Brownfields: Keys to Community Revitalization*, which lists Wisconsin's brownfields program among the top six in the country.

Since the 1990's, the Wisconsin DNR has received annual funding from U.S. EPA (EPA) to support staff to manage the DNR's environmental remediation related programs. The majority of the funding for staff during this period came from a combination of leaking underground storage tank (LUST) funds, Superfund/CERCLA core funds and Superfund/CERCLA site assessment funds (Superfund/CERCLA Funds). The decline in or flat-lined funding for these three grants is the major reason that the DNR's Remediation and Redevelopment Program has 10 federal positions available, but no funds to support them in the near future. This shortfall starts on July 1, 2007, for six federally funded staff, and increases on July 1, 2008, by an additional four federally funded staff.

- o These three major funding sources have diminished since 2005, from a combined annual total of about \$1.9 million to a projected annual total of about \$1.5 million as of Fiscal Year (FY) 2009. This data is based on actual grant awards and projections, based on information we received through EPA.
- o In 2005, these three funding sources supported 24 staff persons. These same grants, by the end of the 2007-2009 biennium, will provide enough funds to support 14 staff persons doing clean up and brownfields work. Again, this is due to reduced grant dollars or stable grant dollars that are not sufficient to meet the salary needs, recognizing the increased salary costs over the last several years.

Since 2004, the state has annually competed for and received Superfund/CERCLA funds to maintain staff for brownfields work in the state. In 2006, Superfund/CERCLA funds rose from \$1.2 million to just under \$1.4 million and is expected to remain around the \$1.4 million level through 2009, based on projections from EPA. These new funds were not used to create any new positions, but rather to fund 14 existing staff. Both federal and state staff were moved on to these new funds, due to the state and federal funding problems.

The need to maintain the DNR's brownfields program at its current level is crucial to our ability to help urban and rural communities with their economic development projects, and get properties through the clean up process in a cost-effective way. While the total number of closures has slightly decreased, the level of services requested by the public and provided by the DNR has increased. Current levels (FY '07) of staffing should be maintained because DNR:

- o no longer just processes closures, they provide grant assistance, technical and liability assistance, green team meetings for communities and developers to assist with their projects, and technical and redevelopment training;
- o has aggressively pursued and received federal and state brownfields grants, propelling more sites into the active site pipeline;
- o has more than 6,000 known, open sites that require a multitude of DNR services;
- o continues to add more than 450 new sites per year to the universe of sites needing DNR assistance;
- o has more than 1,800 sites where there has been no known environmental activity for more than two years, and those sites are not closed;
- o needs to ensure long-term protection of more than 3,800 sites that have been closed with safeguards needed to protect the public from residual contamination;
- o continues to develop and administer the statewide data base (including geo-location) for all the state's contaminated sites, including those with residual contamination;
- o continues the evaluation of the 4,000 known waste sites (e.g. landfills) in the state that could be impacting public health or development opportunities; and
- o continues annually to deal with a portion of the more than 18,000 closed sites where environmental assessments done as part of a real estate transaction disclose additional or new environmental contamination.

I urge the Legislature, under your able leadership, to support adequate funding for the necessary positions that are so crucial to the continued productive performance of these valuable DNR brownfield services.

Please feel free to contact me at 414-273-3500 if you or members of your staff have any further questions on the topics discussed in this letter.

Best regards,



Arthur J. Harrington
Godfrey & Kahn

cc: Brownfields Study Group membership list