

Resolution authorizing application and acceptance of a Wisconsin DNR for a Ready for Re-Use Loan for the remediation, monitoring and closure activities on the former Trane Plant 6 Property owned by LIPCO.

## **RESOLUTION**

**WHEREAS**, the City of La Crosse is a partner in the La Crosse Industrial Park Corporation (LIPCO) with LADCO and Xcel Energy and LIPCO is in the process of redeveloping the former Trane Plant 6 site and there remains environmental contamination on the site from the 1940s which was likely caused by La Crosse Footwear which is no longer in business; and

**WHEREAS**, the City has used DNR Ready for Reuse Brownfield Cleanup Project Loans and Grants in the past to remediate other sites in the City such as the Patros Site and the Desmond Formal Wear Site; and

**WHEREAS**, the environmental remediation, site monitoring, and closure on the LIPCO Trane Plant 6 property is estimated to cost between \$550,000 and \$680,000 depending on which landfill is used to accept the waste; and

**WHEREAS**, the Wisconsin DNR has been working with the City and LIPCO and in order to receive a loan for the remediation, the City must be the applicant rather than LIPCO primarily for the reason that the DNR only has loan funds available at this time and the DNR has indicated that Federal assistance would be in the form of a five year, zero interest loan to the City of La Crosse for \$250,000 of which a portion would be forgivable and require a City secured promissory note; and

**WHEREAS**, the Ready for Reuse program requires a sponsor match of not less than 22 percent (\$55,000.00); and

**WHEREAS**, the Common Council is considering a TIF District for this area of the City and any expenditure of funds would be TIF reimbursement eligible if expended after the creation of the TIF District.

**NOW THEREFORE BE IT RESOLVED** by the Common Council of the City of La Crosse that it hereby authorizes an application to the Wisconsin DNR Ready for Reuse (RR Loan) Hazardous Substances and Petroleum program on behalf of LIPCO, and

**BE IT FURTHER RESOLVED** by the Common Council of the City of La Crosse that it hereby authorizes the Mayor and City Clerk to execute and accept a standard Ready for Reuse Program Loan Agreement upon creation of TID #16 with the Wisconsin Department of Natural Resources in the amount of \$250,000.00 (5 years at 0% interest with up to \$75,000 forgivable) subject to terms negotiated by the City and the DNR, with loan proceeds to be placed in the TID #16 fund to be used for the remediation project and that TID increment proceeds be used to reimburse the City for the DNR Ready for Reuse Program Loan as well as the local share of the \$55,000.00 local match and all other expenses related to the clean-up, and

**BE IT FURTHER RESOLVED** by the Common Council of the City of La Crosse that it hereby authorizes the Mayor and Clerk to sign a promissory note with the Wisconsin Department of Natural Resources after creation of TID #16 in the amount of \$250,000.00, 0% interest, for 5 years with up to \$75,000.00 being a forgivable portion of the loan, and

**BE IT FURTHER RESOLVED** by the Common Council of the City of La Crosse that it hereby appropriates up to \$680,000.00 from the Reserve Fund as a TID 16 expense after creation of TID #16 to provide for project related expenses, the City's required \$55,000.00 local match, and to secure the City issued promissory note with the Wisconsin Department of Natural Resources for the 5 year, 0% interest, \$250,000.00 loan with up to \$75,000.00 being a forgivable portion of the loan; and

**BE IT FURTHER RESOLVED** that up to \$680,000.00 be included as a TID 16 expense in the 2016-2020 Capital Improvement Program Budget to reimburse the Reserve Fund should the creation of TID #16 be approved; and

**BE IT FURTHER RESOLVED** that the Board of Public Works is hereby authorized to enter into a professional services agreement after creation of TID #16 in an amount not to exceed \$50,000.00 with Cedar Corporation (LIPCO's consultant) to assist the City in preparing plans, specifications and estimates so the City can bid out the remediation and closure of the site, which funding is included in the estimate for remediation of \$680,000.00; and

**BE IT FURTHER RESOLVED** that the Board of Public Works, the LIPCO Board of Directors, Director of Finance and Purchase, City Engineer, Director of Planning and Development, City Attorney and other appropriate City staff are hereby authorized to carry out the activities required in the grant and to take any and all steps necessary to effectuate this resolution in accordance with State and local laws including project bidding, building demolition, concrete and asphalt removal, remediation and other matters related to this project and further being subject to the creation of Tax Increment District 16.