

Waterfront Brownfields Redevelopment

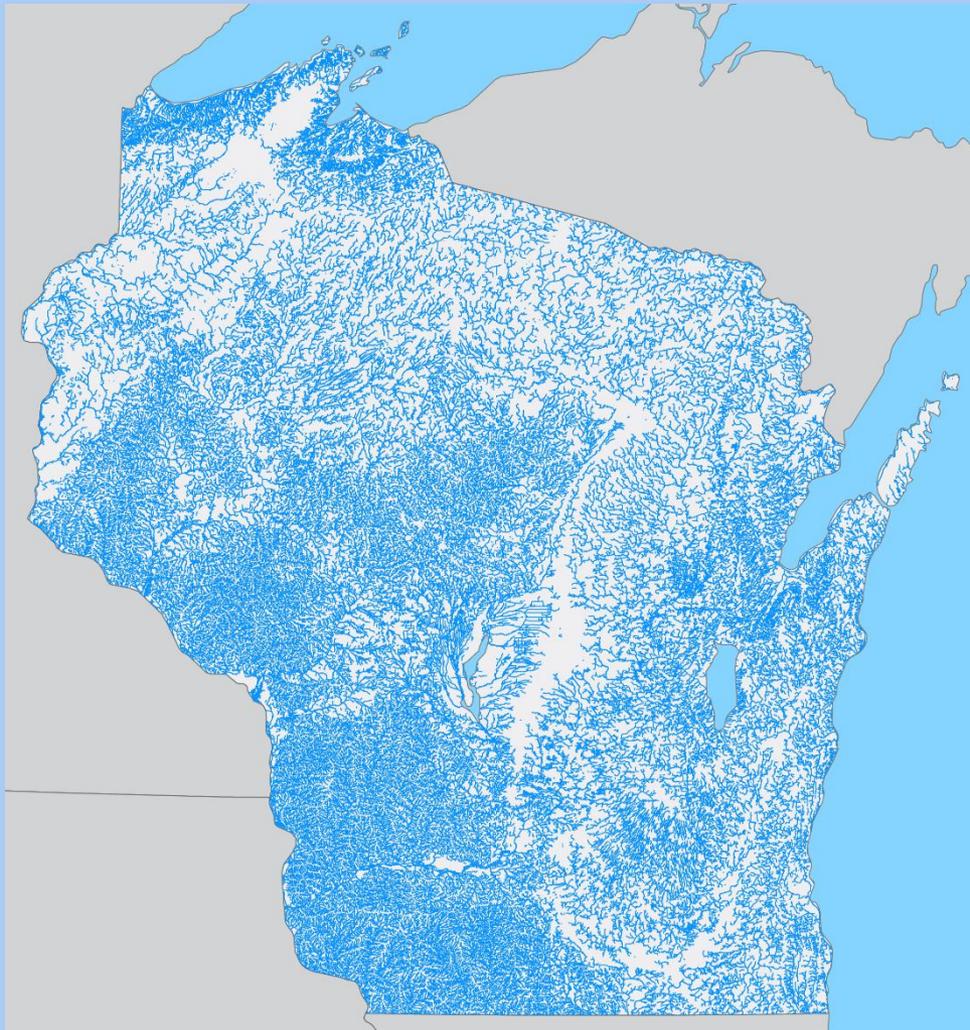
Prepared for Wisconsin Department of Natural Resources

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- Garrett Johnson
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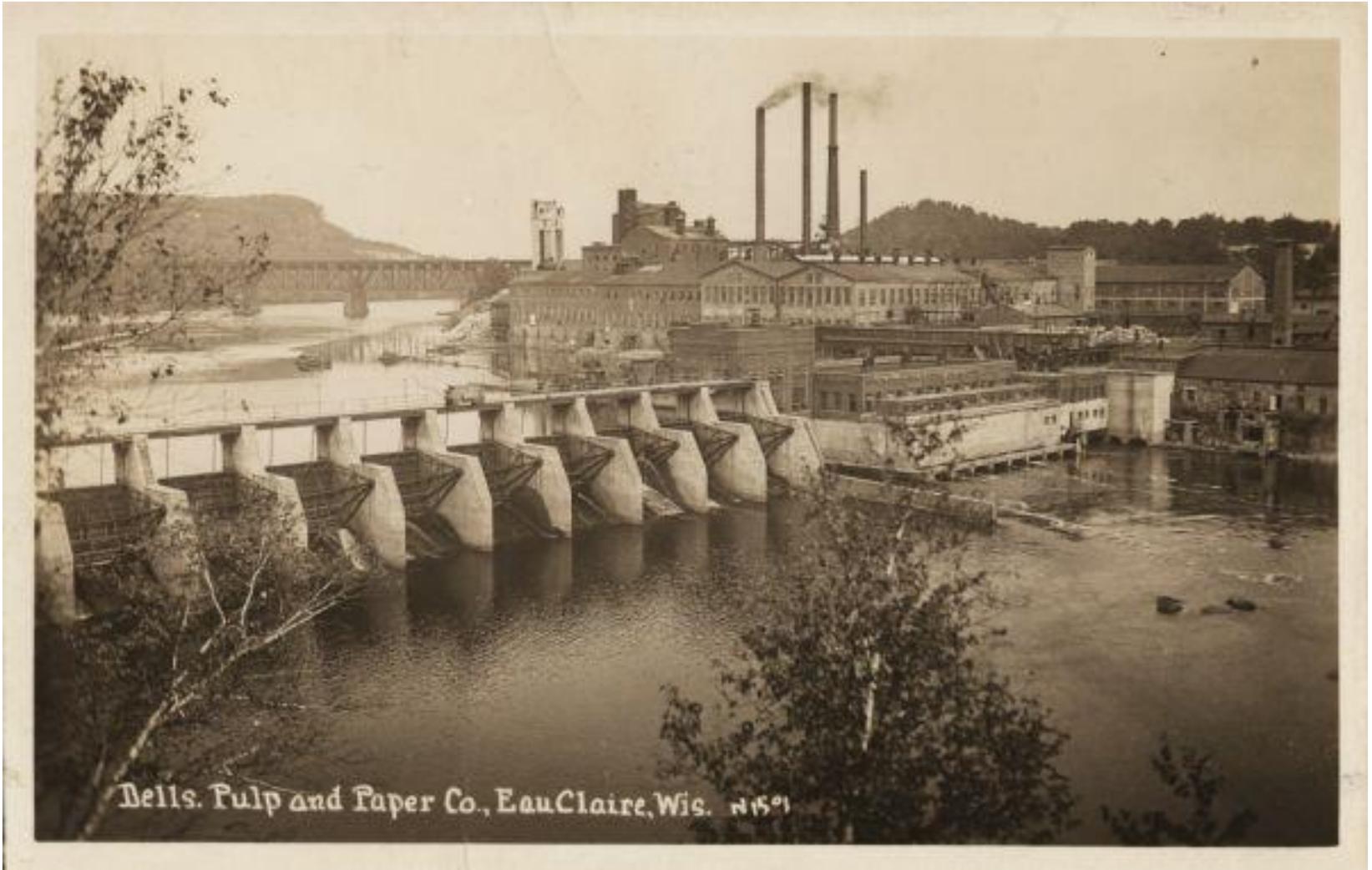


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Bells Pulp and Paper Co., Eau Claire, Wis. 1915



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Roadmap

- Background
- Guiding Questions
- Methodology
- Results
 - Quantitative
 - Qualitative
- Recommendations



Brownfields Challenges

1. Balancing health and development
2. Limited public funding
3. Uncertainty and Risk



Waterfront Amplifies Risk

- Unique, site-specific projects
- Larger land area
 - Multiple sites, multiple owners
 - Varied levels of contamination
- Longer timeline
- Multiple regulatory agencies
- Result: greater uncertainty, greater risk



Guiding Questions:

Potential for redevelopment?
Obstacles to redevelopment?
Solutions to remove obstacles?



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Methodology

- Mixed-Methods Approach
 - Quantitative: businesses and jobs over the past 20 years (UW Extension)
 - Qualitative: key-informant interviews, published reports (i.e. public policy forum)
- Quantitative Analysis
 - Percent Change in establishments and jobs within 8 case study redevelopment districts
 - Change in jobs by industry



Selected Cities



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Quantitative Approach

| ABI | City | State | ZIPCode | FirstYear | LastYear | Latitude | Longitude |
|-----------|-----------|-------|---------|-----------|----------|------------|-------------|
| 420347750 | MILWAUKEE | WI | 53202 | 2012 | 2015 | 043.048270 | -087.905430 |
| 420460414 | MILWAUKEE | WI | 53202 | 2014 | 2015 | 043.051020 | -087.891670 |
| 420515119 | MILWAUKEE | WI | 53202 | 2014 | 2015 | 043.044730 | -087.905300 |
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Limitations

- Complexity of Waterfront Redevelopment
 - Identifying district-specific data
 - Timeline for analysis
- Future Research
 - Property values
 - Wages and earnings
 - Tax revenue
- Interpreting Results



Results: 3 best practices

- 1) Public support matters
especially if it's broad, early, and understood
- 2) Public-Private Partnerships are important
for increased community buy-in and reduced uncertainty
- 3) A clear plan and someone to move it forward are vital
they maintain initial support



What *is* a P3?

- Vague buzzword in literature
- What we mean:
 - “a long-term contract between a private party and a government entity, for providing a public asset or service, in which the private party bears significant risk and management responsibility, and remuneration is linked to performance” – The World Bank
 - Creation of 501c(3) in most waterfront cases



Other Great Lakes States

- New York
Waterfront *and* brownfield programs
- Ohio
Innovative Fund generation
- Pittsburgh
3 Rivers Waterfront Reinvestment
- Minneapolis
Downtown and uptown



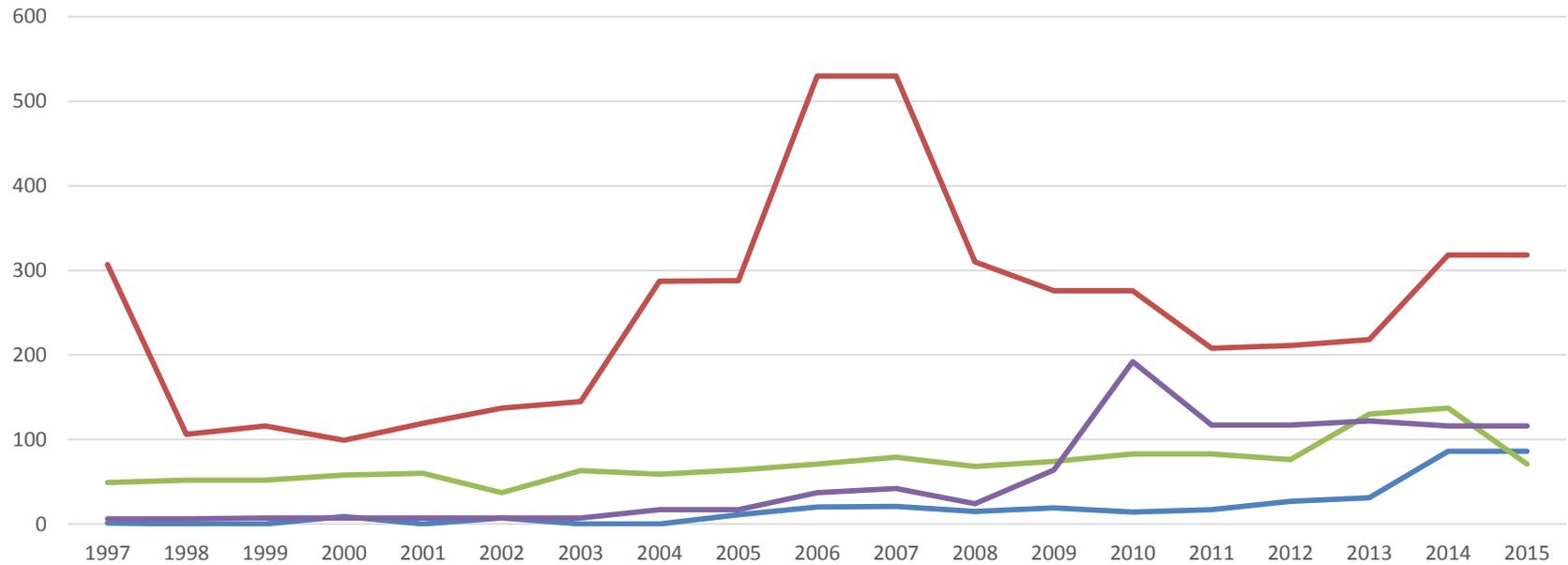
Wisconsin Case: Appleton

- \$10.6 million increase in TIF district property value from 2009 to 2014
- One site generated \$25 million in tax receipts
- Mixed use
- Developer leadership at River Heath
- Unique funding support



Jobs by industry 1997-2015

Appleton, Fox River Waterfront



Construction

Manufacturing

Professional, Scientific, and Technical Services

Accommodations and Food Service



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Wisconsin Case: LaCrosse

- Early successes, recent roadblocks
 - Riverfront Redevelopment
 - 650 jobs created
- Roadblocks because of private sector flight
 - City pays for site cleanup
 - Developers don't develop
- Importance of long-term agreements



Wisconsin Case: Menomonee Valley

- Long process of stakeholder engagement
- Quantified Benefits (as of 2014)
 - \$4 private investment per \$1 public
 - 5,200 jobs created
 - \$154 million increase in taxable property value

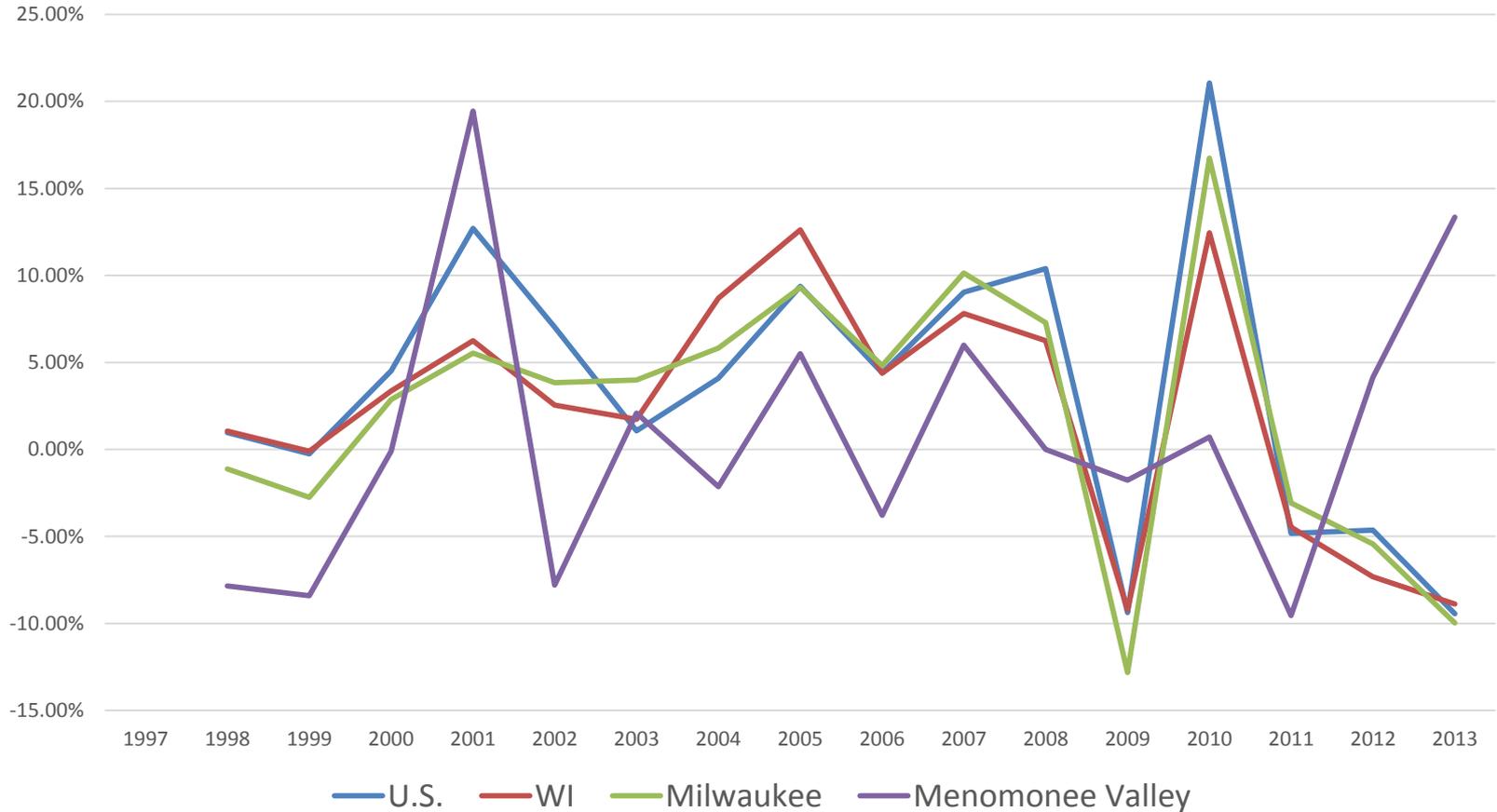


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Percent Change in Establishments

Menomonee Valley, Compared to MKE, WI, US (1997-2013)



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Recommendations:

- Creation of Waterfront Program
- “Starter” tasks
 - Creating a redevelopment toolkit
 - Investigating novel means of funding
 - Publishing a potential projects database with expansion potential
 - Collect data for precise analysis



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A Waterfront-Specific Program

- Amend Land Recycling Act
- Limitations of Act 21
 - Opposite effect : inhibiting economic growth
- Need for specific program
 - Demand
 - Growth Potential



Task 1: Make a Toolkit

- Explain Process and Permits
- Reduce Uncertainty
- Empower Leaders
- Clear guidance



Task 2: Investigate Funding

- Goal: Secure additional funding
- Put money in Waterfront Redevelopment Fund
- Explore innovative ways to integrate infrastructure funding with waterfronts

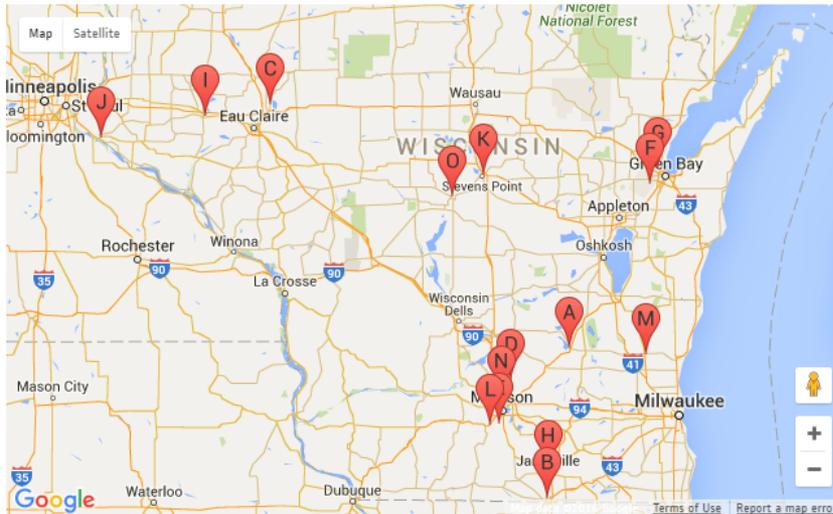


Task 3: Project Database

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Task 4: Data Collection

- Track metrics required for a comprehensive cost benefit analysis
 - Increases in property value
 - Tax revenue
 - Wages *within* waterfront district
- Track amount and source of public funding and private investment
 - Money leveraged
 - Return on Investment



Conclusion

Elements of Success:

- Public support
- P3s
- Clear plans with committed leaders

Specific Program:

- Toolkit
- Funding
- Database
- Data collection



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Thank you



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