

Redevelopment Authority of the City of Milwaukee

Resolution No.:

Adopted on: June 18, 2009

Project / Area: Park East

Aldermanic District: 4th

Resolution authorizing up to a \$200,000 loan from the EPA Revolving Loan Fund to Milwaukee River Hotels, LLC for the Aloft project at 1300 North Old World Third Street and authorizing to be used on this property and authorizing a preferred remedial option.

Whereas, the Environmental Protection Agency (EPA) has awarded \$7.5 million dollars in revolving loan funds to the Authority for the purpose of making loans and subgrants in support of environmental cleanup on brownfield properties in Milwaukee; and

Whereas, For the Authority to utilize EPA revolving loan funds to finance environmental remediation for a property outside an urban renewal area, the property must be found to be blighted pursuant to Section 66.1333(5)(c), Wisconsin Statutes, which enables the Redevelopment Authority of a first class city to declare property blighted without designating a boundary or adopting a redevelopment plan; and

Whereas, the property at 1300 North Old World Third Street encompass the Aloft project located on approximately 1.1 acres along the Milwaukee River. The property has documented soil and groundwater impacts of metals, and polycyclic aromatic hydrocarbons (PAHs) within four feet of ground surface, at depth adjacent to the Milwaukee River. The contamination at these properties meets the statutory blight definition and are therefore eligible candidates for remediation using EPA loan funds; and

Whereas, Milwaukee River Hotels, LLC is redeveloping the Aloft site by constructing a commercial development with a total estimated investment of \$27.8 million, and

Whereas, the EPA loan funds can be loaned at a lower interest rate than Milwaukee River Hotels, LLC can secure through other financing and helps ensure project feasibility; and

Whereas, the term sheet attached hereto contemplates the Authority and Milwaukee River Hotels, LLC are entering into a loan agreement for up to \$200,000 for environmental remediation; and

Whereas, the current owner of the land, Milwaukee River Hotels, LLC, waived its right on June 12, 2009 to the statutory public notice pursuant to the provisions of Section 66.1333(5)(c) of Wisconsin Statutes and a Public Hearing on the blight designation; and

Whereas, To comply with federal National Environmental Protection Act (NEPA) requirements, loan recipients must consider the advantages and disadvantages of various remedial options, consider public comments, and choose a preferred remedial option; and

Whereas, the remedial options at these properties includes a combination of remedial excavation, engineered barriers with methane alarm system in building covers and institutional controls, and natural attenuation as the most time efficient and cost efficient remedial action approach to protect human health, achieve case closure and support the proposed future use of the property; therefore be it

Resolved, By the Redevelopment Authority of the City of Milwaukee that the properties at 1300 North Old World Third Street are found to be blighted pursuant to Section 66.1333(2m)(bm), Wisconsin Statutes by virtue of their environmental condition, for the purpose of using EPA revolving loan funds to finance the remediation; and, be it

Further Resolved, that the Authority will provide up to a \$200,000 loan from its EPA Revolving Loan Fund to Milwaukee River Hotels, LLC for site remediation; and be it

Further Resolved, that the preferred remedial option for the properties identified in the attached Analysis of Brownfield Cleanup Alternatives is authorized; and be it

Further Resolved, That the proper officers of the Redevelopment Authority are authorized and directed to take all necessary actions and provide necessary assistance needed to carry out the intent and purpose of this resolution and Term Sheet.

CERTIFICATION

I certify that the forgoing is a true and exact copy of a resolution adopted by the Redevelopment Authority of the City of Milwaukee, WI on the date set forth above.

(seal)

David P. Misky
Assistant Executive Director – Secretary
