



Winner! Winner!
**Economic Impact of Brownfields
Redevelopment in Wisconsin**

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An Economic Analysis of the Wisconsin Brownfields Remediation and Redevelopment Programs

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- ▶ Brownfields Study Group and the Economic Impact Subcommittee
 - ▶ Especially co-chair John Stibal, City of West Allis
- ▶ Wisconsin Economic Development Institute
- ▶ DNR Bureau of Remediation and Redevelopment

Brownfields Redevelopment

- ▶ Economic Impact
- ▶ Focus on state grant programs



Image source: Menomonee Valley Partners, renewthevalley.org

Wisconsin: A Brownfields Leader

A 2011 report to the Connecticut Governor and state legislature summed it up as follows:

“We [in Connecticut] need to emulate the cooperative spirit between regulators and the regulated community that exists in Wisconsin.”

- ▶ The Wisconsin Brownfields Program is nationally recognized; it has been cited in numerous national publications as a potential model for other states

Background

- ▶ Wisconsin Land Recycling Act of 1994
 - ▶ Created new tools to promote brownfield clean-up and redevelopment
- ▶ 1997-98 Biennial Budget
 - ▶ Enacted grants and loans:
 - ▶ Assess and clean up brownfields
 - ▶ First grants awarded in 1998
 - ▶ Created Brownfields Study Group
- ▶ 2013-14 Brownfields Study Group work plan
 - ▶ Commission research to determine the impact of state brownfields funding

Brownfield Impacts



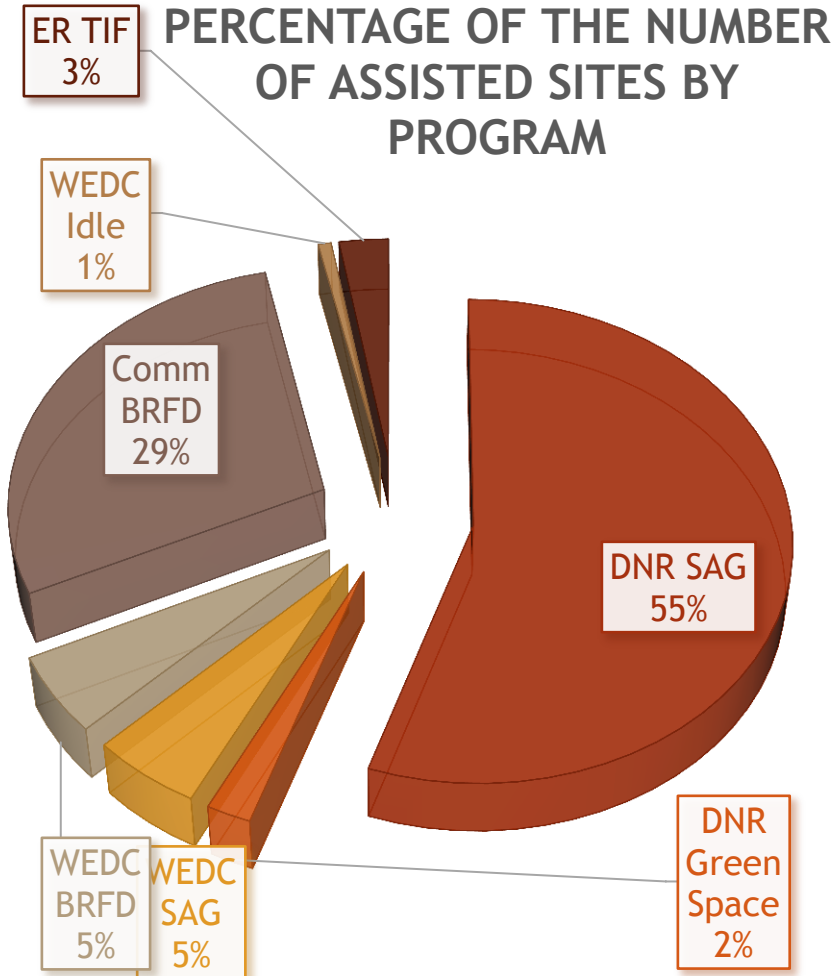
Organizing for the Study

- ▶ Subcommittee on Economic Impacts
- ▶ Wisconsin Economic Development Institute
 - ▶ Fiscal agent
- ▶ Raised funds
- ▶ Issued request for proposals
 - ▶ Six proposals received
- ▶ Committee reviewed and selected team
 - ▶ UW - Whitewater, Fiscal and Economic Research Center
 - ▶ Russ Kashian
 - ▶ Redevelopment Economics
 - ▶ Evans Paull
- ▶ Committee reviewed reports for accuracy and clarity

Wisconsin Brownfield Investments

- ▶ State programs fill a critical funding gap
- ▶ \$121.5 million in state funds brownfields-specific financial incentives over 17 years;
- ▶ \$187.6 million in local government commitments, including ER TIF, conventional TIF and other local funding;
- ▶ Additional funding from federal brownfields grants and other state support for projects separate from brownfields

Wisconsin Brownfield Investments



Site Assessment Grants
Brownfield Grants

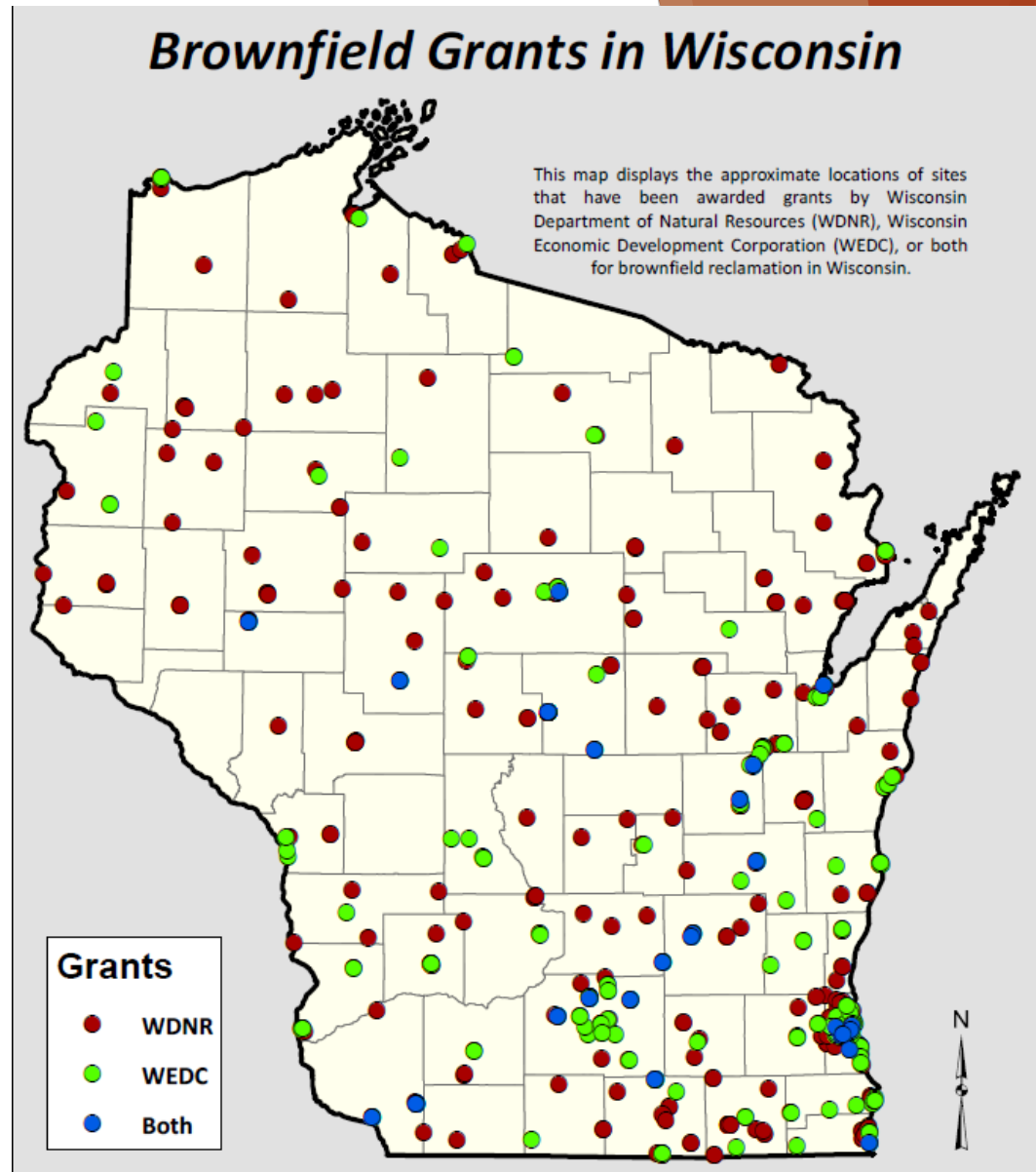
ER TIF
Green Space
Idle Industrial Sites

Local TIF and other
assistance
Federal brownfields
grants

Sites assisted by program	number grants/ loans	% of all grants	\$\$ Amount	% of Total \$\$ Amount
State Brownfields Programs				
Site Assessment Grants (WEDC, previously DNR)	496	52.6%	\$ 21,986,425	6.2%
Brownfields Grants (WEDC, previously Commerce Dept)	245	26.0%	\$ 90,265,725	25.4%
DNR Green Space	17	1.8%	\$ 1,636,814	0.5%
DNR Sustainable Urban Development Action Zones (SUDZ)	20	2.1%	\$ 2,447,317	0.7%
WEDC Idle Industrial Sites	6	0.6%	\$ 5,118,000	1.4%
State brownfields funds sub-total	784	83.2%	\$ 121,454,281	34.2%
Other state funds	2	0.2%	\$ 1,381,700	0.4%
Total State Funds	786	83.4%	\$ 122,835,981	34.6%
Local				
ER TIF	19	2.0%	\$ 10,939,000	3.1%
Conventional TIF	19	2.0%	\$ 137,596,777	38.8%
Other local funds	32	3.4%	\$ 39,092,436	11.0%
Total Local Funds	70	7.4%	\$ 187,628,213	52.9%
Federal				
EPA Brownfields	84	8.9%	\$ 29,271,368	8.3%
Other federal	3	0.3%	\$ 15,027,000	4.2%
Total federal funds	87	9.2%	\$ 44,298,368	12.5%
Total, all funds	943		354,762,562	100.0%

Geography of Funding

- 65 of Wisconsin's 72 counties received state-assisted funding
- 51 counties received more than one grant



Geographic Distribution of Brownfield Sites Assisted by Agency

Direct Economic Impact

- ▶ State brownfield grant sites
- ▶ One-time impacts
 - ▶ Construction jobs
 - ▶ 27,900
 - ▶ \$3.3 billion
- ▶ Ongoing economic output
 - ▶ \$4.4 billion direct impact
- ▶ Permanent jobs (new and retained)
 - ▶ 29,883



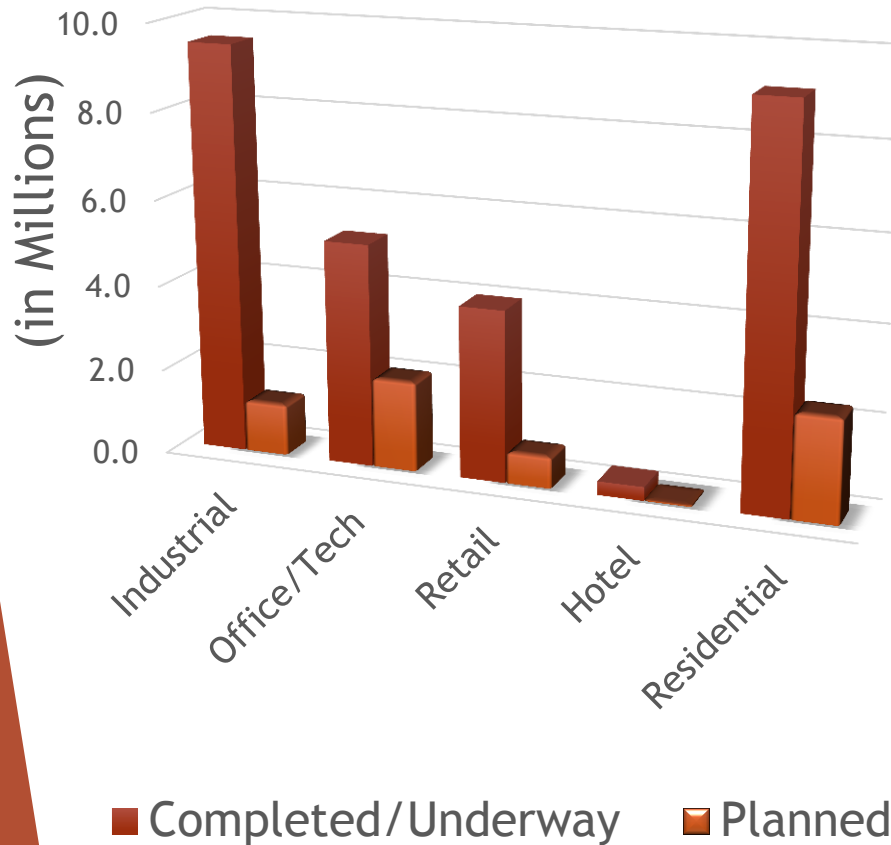
The CenturyLink Project in La Crosse created 500 jobs

Annual Tax Impacts

(millions of \$)	State	Local	Total
Direct	\$65.7	\$29.3	\$95.1
Direct and Indirect	\$142.2	\$97.3	\$239.5

Re-Use of Investments (Land Use)

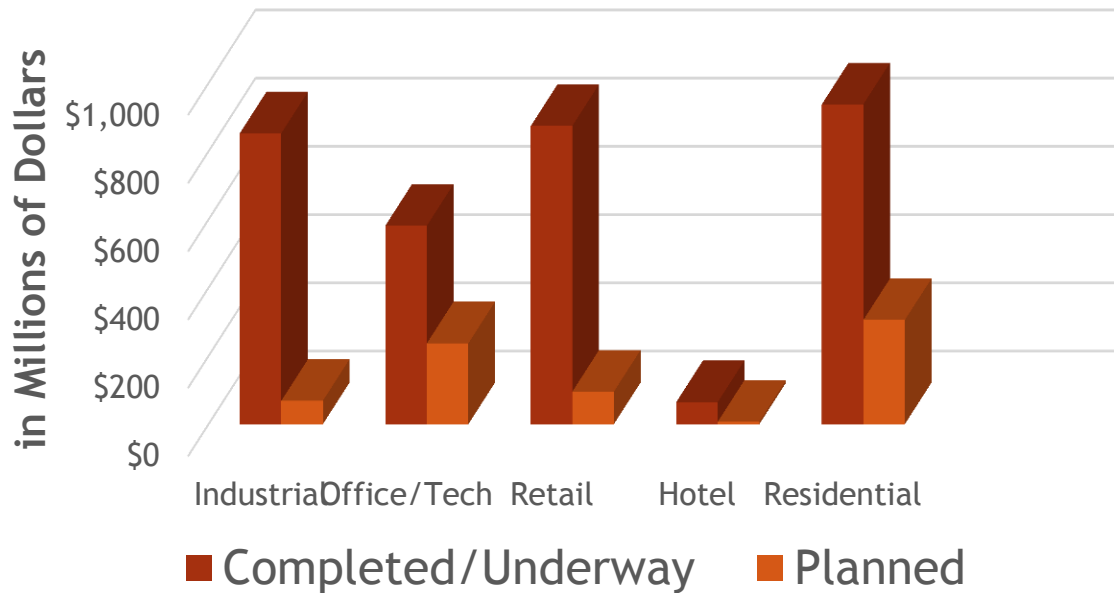
Millions of Completed and Planned Square Feet



- ▶ Sample N = 563 sites
- ▶ Classified as complete or under construction is 28.2 million square feet of space
- ▶ Total: 34.6 square feet when planned construction is included

Re-Use by Size of Investment

Brownfields Investments By Sector and Status (354 projects)



- ▶ Generated \$3.31 billion
- ▶ Mean investment per project: \$11.9 million
- ▶ Median investment per project: \$3.1 million

Focus Projects: Waterfronts and Tourism



Green Bay Children's Museum



Harley-Davidson Museum in Milwaukee

Hotels and Attractions	
Name	Location
Harley-Davidson Museum Project	Milwaukee
Hampton Inn	Burlington
The Green Bay Children's Museum	Green Bay
The National Brewery Museum	Potosi
Blue Harbor Hotel	Sheboygan
Kenosha Public Museum & Civil War Museum	Kenosha
Riverfront Revitalization	Wausau
Lake Michigan Path	Racine
Riverside Park & Leach Amphitheater	Oshkosh
St. Brendon's Inn	Green Bay



Leach Amphitheater in Oshkosh

Focus Projects

Small Communities (< 15,000 population)

- 237 sites
- 6,640 jobs were created in completed brownfields projects in small communities



Community-Serving Food Cooperative in Viroqua



Potosi's National Brewery Museum



West Allis/Summit Place



Ice Hockey Rink in Neillsville

Focus: Distressed Areas

- ▶ 66% of assisted sites: lower median income than Wisconsin
- ▶ 12,400 permanent jobs generated in lower income census tracts
 - ▶ 50 percent of all jobs that could be geocoded
- ▶ 54 percent of sites
 - ▶ Higher poverty rate than state



West Allis/Summit Place

Community, Environmental, and Health Benefits

- ▶ Reduces vehicle miles and greenhouse gases by 16-28%
- ▶ Reduces stormwater runoff by 47-62%
- ▶ Property values of neighboring properties increase by 5-13%
- ▶ Reduction of vagrancy and crime

Bottom Lines

**14-FOLD
INVESTMENT
RETURN**



Businesses in new space on brownfield sites have resulted in state tax revenue recouping \$1.77 billion over the last 17 years



Local governments gain in annual tax revenue



Post-redevelopment assessed value (compared to pre-redevelopment)

Resources

- ▶ **Economic and Fiscal Impact of Wisconsin's Brownfields Investments**

- ▶ <https://www.uww.edu/Documents/uww/bfield.pdf>

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- ▶ For details of research

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