

FACT SHEET

Oscar Mayer and Metro Transit



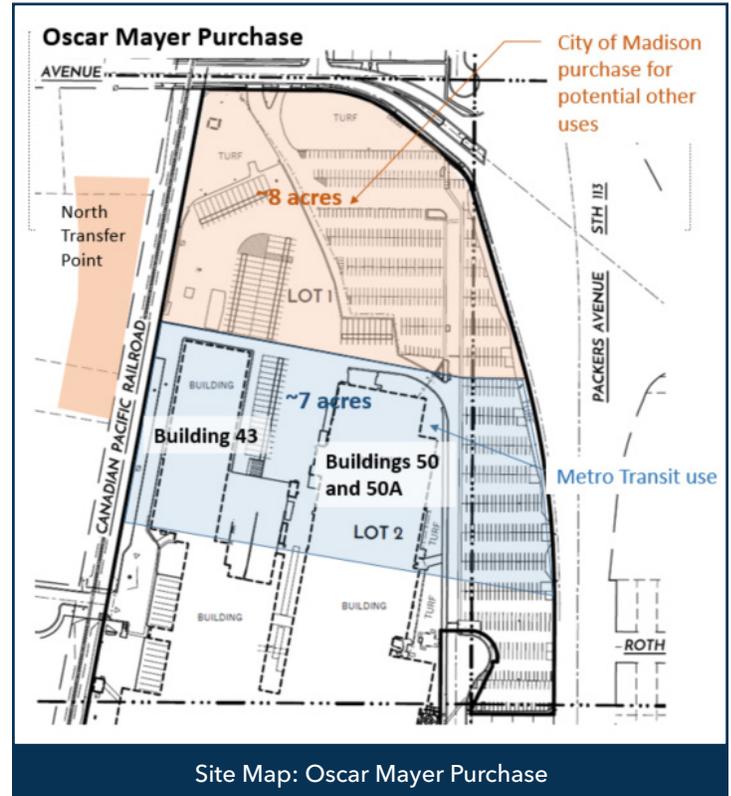
Why Oscar Mayer?

Metro Transit's main garage on East Washington Ave. was designed to house 160 buses, yet now houses between 210 and 218 buses. Consequently, finding expanded storage for Metro Transit satellite facility became a key strategy in Madison's Imagine Madison Comprehensive Plan.

In March of 2019, the Common Council directed staff to start negotiations to purchase the north end of the former Oscar Mayer factory for a satellite Metro bus storage and maintenance facility. Staff analysis identified the Oscar Mayer option as much as half the cost for satellite bus storage compared to the alternate sites considered.

The analysis concluded the Oscar Mayer options as the most cost effective way for Metro to expand its system and prepare for Bus Rapid Transit (BRT). Alternate locations were estimated to cost between \$50-70 million.

Since then, the City was awarded a \$7 million Federal Transportation Administration (FTA) grant for the purchase the Oscar Mayer site, making this site even more cost effective.



The City would like to purchase Oscar Mayer in two separate parcels.

- **Buildings 50/50A and 43 (7 acres)** - This parcel contains sufficient space to meet Madison Metro needs for 20+ years and will be purchased as a condominium due to a shared wall.
- **Northern Vacant Parcel (8 acres)** - This parcel would not use the FTA grant and would not be necessary for Metro operations other than for bus entering and exiting. It may be developed for other City or commercial uses in the future.

The City of Madison 2020 Capital Budget included \$12.893 million for the purchase and small improvements to make Buildings 50 and 50A operable. Additional monies for a satellite are programmed for 2022 for the Bus Rapid Transit (BRT) project. If approved, FTA funding would cover 50 percent of additional improvements, estimated at ~\$20 million.

When Will Construction Take Place?

Initial construction, planned for 2021 to 2023 will focus on Buildings 50 and 50A for the storage of approximately 27 buses. The staged improvements will include maintenance, fueling, and electric charging capabilities needed for an electric Bus Rapid Transit Fleet. In response to neighborhood concerns, the site layout and has been revised that most bus circulation occurs inside Building 50.

Renovation of Building 43 will occur in the future when needed to meet Metro expansion needs.

How Will Buses Impact Aberg Traffic?

In 10 years, when both Buildings 50 and 43 are fully occupied by Metro, it is estimated approximately 122 bus pull-in and pull-outs are anticipated per day. Employee trips to and from the facility could also approach 80 vehicles per day. Aberg Ave. daily traffic is currently 10,800 vehicles per day (vpd) (2018). During the operation of the Oscar Mayer plant, traffic on Aberg Ave. averaged 22,000 vehicles per day. The trips added by Metro represent a 2 percent increase in traffic on Aberg Ave. from 2018 levels.

Who Will Clean Up the Environmental Contamination?

The current owners are responsible for completing all environmental investigations and remediations on the property, as directed by the Wisconsin Dept. of Natural Resources (WDNR). This includes the investigation and remediation of the Building 43 “spice room”, contaminated by trichloroethylene solvent. The primary health concern in Building 43 is vapor intrusion—when buried contaminant vapors enter a building. Building 43 vapor concern will be remediated by the current owners using a soil vapor extraction system (SVE) to permanently remove the contamination from the ground. Construction of this system will start in October 2020.

As a requirement for turning off the SVE, the current owners will test indoor air quality to ensure it meets WDNR standards. If additional mitigation is required to ensure safe indoor air, a “radon fan” can be installed. The current owners will be responsible for the ongoing operation of the SVE until the site is officially “closed” by the WDNR. Addressing vapor intrusion uses well-established technology employed widely throughout Madison. All of these reports are available on the WDNR’s BRRTS website.

What if unknown contamination is discovered after the City buys the site?

Prior to purchasing an industrial property the City typically takes environmental soil and groundwater samples. In this case, the owner’s agreement with Kraft Heinz does not allow the City to conduct this work. To ensure the public will not pay for the remediation of unknown Oscar Mayer contamination, the City will hold part of the purchase price in an environmental escrow. Upon purchase, the City will conduct a full environmental investigation using funding already set aside from a U.S. EPA Brownfield Site Assessment grant.

The City’s investigation will include soil, groundwater, and vapor intrusion sampling for any buildings and land not previously sampled. If contamination is discovered, the City will use the escrow funds to remediate the contamination. In addition, the City has hired an environmental attorney to negotiate and review the final purchase and condo agreements. Using the escrow, the City will not pay for cleaning up Oscar Mayer contamination.

Why Would the City Want to Purchase a Contaminated Site?

The City has an extensive history investigating, purchasing and redeveloping “brownfields”—industrial and commercial properties where contamination is limiting their reuse.

Wisconsin law offers a variety of liability protections and financial tools specifically to cities and local governments to facilitate the reuse of brownfields. In addition, both the Wisconsin DNR and the Wisconsin Economic Development Corporation (WEDC) have grant programs and staff departments dedicated to promoting the cleanup and redevelopment of brownfields. Revitalizing these industrial sites provides unique benefits that include the removal of soil and groundwater pollution, blight elimination, sustainable reuse of existing infrastructure, and increased property values.

Examples of brownfields the City has remediated include the Garver Feed Mill, the former Don Miller car lots on 800 E. Washington Ave., the Capitol East Garage, and Central/McPike Park. Through grant programs, the City has also assisted brownfield reuse on the following sites: Royster Corners (formerly the Royster Clark fertilizer plant, The Lyric (formerly Madison Dairy), Rethke Terrace Homeless Housing, Veritas Village (formerly the Reynolds Crane Lot), and the Goodman Community Center (former Madison Brassworks).

What Will Happen if Metro Does Not Purchase the Site?

If the Common Council chooses not to purchase the site, Metro Transit will find an alternate location for a satellite bus facility, which could cause delays for BRT implementation. Based on our analysis, alternate sites are likely to be substantially more expensive, and could increase Metro operating costs. The \$7 million FTA grant is tied to the Oscar Mayer site, so there is risk of losing this funding.

Allowable uses for Oscar Mayer’s zoning include small start-up businesses, warehousing, distribution centers, as well as traditional manufacturing. The current owners have indicated they would lease or sell the property to another industrial or logistics user rather than demolish the buildings for redevelopment.

Summary

City Staff believe the Oscar Mayer site represents the most affordable, environmentally sustainable, and quickest option for Madison Metro to expand its capacity and move forward with Bus Rapid Transit. This project would achieve multiple City goals beyond Metro expansion including redevelopment of a brownfield site, supporting the creation of a mixed-use hub at OM Station, and addressing environmental concerns in a publicly accountable way.

Give feedback on this proposed project by calling (608) 266-4466, emailing mymetrobus@cityofmadison.com or filling out an online feedback form at mymetrobus.com/feedback.