

Contamination Cleanup and Investigation and RAP Development Grant Program Call for Applications

Grant Overview

The Department of Employment and Economic Development (DEED), through its Brownfields and Redevelopment Unit, is accepting grant applications through the Contamination Cleanup and Investigation and RAP Development Grant Program.

This grant program assists local communities with the investigation and cleanup of soil, soil vapor, and groundwater contamination at previously or currently developed sites. Sites where significant barriers exist to redevelop contaminated properties into a different and/or more productive use are complex and more costly to redevelop than undeveloped parcels. This program is not intended for parties that have operated on the site long-term, but rather to assist new parties with site redevelopment. Grants are awarded based on statewide, statutory criteria.

Eligibility

Eligible applicants are cities, counties, federally recognized Tribe, housing and redevelopment authorities (HRAs), economic development authorities (EDAs), and port authorities. In addition, the following eligibility requirements apply:

1. A grant may not be awarded to a municipality in the Twin Cities Metropolitan Area unless it is participating in the Metropolitan Council Local Housing Incentives Program. For information on participating in the Local Housing Incentives Program, contact Ashleigh Johnson with the Metropolitan Council at (651) 602-1106 or ashleigh.johnson@metc.state.mn.us.
2. A site may not be scheduled for funding under the Federal Superfund Program (United States Code, title 42, section 9601 et seq.) or the Minnesota Environmental Response and Liability Act ([Minn. Stat. §§ 115B.01 – 115B.20](#)) under the current or next fiscal year.
3. A site must contain contaminants, pollutants or hazardous substances as referenced in [Minn. Stat. § 115B.02](#) or petroleum that is not eligible for reimbursement from the Minnesota Petrofund. Asbestos abatement in buildings does not qualify under this grant program unless it is part of demolition necessary for RAP implementation.
4. Finally, to qualify for this grant program, it is expected that the site will be improved with buildings or other improvements within a reasonable period of time, and that these buildings or improvements will provide a substantial increase in the property tax base or will be used for an important publicly owned or tax-exempt facility. The redevelopment of polluted sites may include, for example, commercial, industrial, office, multi-family housing, or mixed-use development.

Funding Availability

As authorized in [Minn. Stat. § 116J.551](#), approximately \$4 million is available for grants under the Contamination Cleanup and Investigation and RAP Development Grant Program. If applying for an Investigation and RAP Development Grant, the grant cannot exceed \$50,000.

Grant Match Requirement

A local match of at least 25% is required for each site receiving a Cleanup or Investigation grant. The municipality shall pay an amount equal to at least 12% from the municipality's general fund, a property tax levy for that purpose, or other unrestricted money available to the municipality (excluding tax increments). The rest of the local match may be paid with tax increments, regional, state, or federal money available for the redevelopment of brownfields or any other money available to the municipality.

Per [Minn. Stat. § 116J.552, Subd. 6](#) "municipality" means the statutory or home rule charter city, town, federally recognized tribe, or, in the case of unorganized territory, the county in which the site is located.

Target Population

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making. [Policy 08-02](#) establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

This grant will serve geographic diversity within and across the entire State of Minnesota. Per [Minn. Stat. § 116J.555, Subd. 1](#), unless sufficient applications are not received for qualifying sites outside of the metropolitan area, at least 35% of the money provided as grants must be made for sites located outside of the metropolitan area.

Competitive Priorities, Selection Criteria, and Weight

DEED will award Cleanup and Investigation grants to projects that provide the highest return in public benefits for the public costs incurred and meet all the statutory requirements. To evaluate the applications for public benefits with respect to the costs incurred, [Minn. Stat. § 116J.555](#) specifies priorities that DEED must consider.

To review applications in an objective and fair manner, these priorities have been assigned maximum points so that DEED can analyze applications and award grants. All assigned points will be relative to the points assigned to other applications received in the same grant round. **Please note, an application must receive a minimum of 50 points to be eligible for funding.**

1. The recommendations or ranking of the projects by the MPCA regarding potential threat to public health and the environment that would be reduced or eliminated by completion of each of the response action plans. Maximum 25 points.
2. The potential increase in the property tax base of the local taxing jurisdictions, considered relative to the fiscal needs of the jurisdictions, that will result from developments that will occur because of completion of each of the response action plans. Maximum 15 points.
3. The social value to the community that will result from the cleanup and redevelopment of the site. Social value includes the project's time frame, job creation and/or job retention, the importance of the proposed public facilities, the removal of blight at the site, and the readiness of the project including but not limited to site ownership or control, local entitlements, development feasibility, and financial commitments. Maximum 65 points.

4. The likelihood that each site will be cleaned up without the use of government money in the reasonably foreseeable future by considering but not limited to the current market value of the site versus the cleanup cost. Maximum 25 points.
5. The amount of cleanup costs for each site. Maximum 10 points.
6. The amount of the commitment of municipal or other local resources to pay for the cleanup costs. Maximum 5 points.

Application Content and Instructions

For more detailed information on the Contamination Cleanup and Investigation Grant Program, and for the application instructions and forms, please refer to the applicable program links on our website: [Contamination Cleanup and Investigation Grants](#).

The governing body of the applicant agency (and municipality in which the site is located, if different) must approve, by resolution, the application. Resolutions must be adopted prior to the application deadline and be submitted with the application.

Application Submission Deadlines and Requirements

Four complete sets of applications (application form and required attachments) are required for each site. Two paper copies and two electronic copies (two separate flash drives) are required. All four copies must be complete and submitted by the deadline to be considered for funding. Applications may be sent by mail or courier to the following address but must be received no later than 4:00 PM on May 1, 2024. Alternatively, applications may be delivered in person on May 1, 2024. If delivering in person, please take the 5th Street elevators (by the guard's desk) to the 12th floor and leave the applications on the cart located in the DEED elevator lobby. Applications will be retrieved promptly.

Brownfields and Redevelopment Unit
Great Northern Building
180 East Fifth Street, Suite 1200
St. Paul, MN 55101

Applications submitted by email will NOT be accepted. Applications should be in a binder, spiral-bound, or, at a minimum, binder clipped with all attachments marked and tabbed.

Review Process and Award Timeline

Grant applications are competitive and are evaluated by the DEED Brownfields and Redevelopment Unit, as well as MPCA review of the reduction or elimination of the potential threat to public health and the environment. Final scores and recommended award amounts are determined by the Brownfields and Redevelopment Unit and based on the statutory criteria established in the program statutes. The Unit's recommendations are made to the DEED Commissioner. Once final approval is made by the DEED Commissioner, decision notices are issued to applicants. It is anticipated funding announcements will be made approximately eight weeks after the application deadline.

Financial and Grantee Capacity Review

As applicable, grant applicants may be required to submit financial, capacity, and internal control documents based on state or federal requirements.

Conflicts of Interest

State grant policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per [Minn. Stat. § 16B.98, Subd. 2-3](#) and [08-01 Conflict of Interest in State Grant-Making Policy](#).

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice to the Department due to competing duties or loyalties
- a grantees or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties

In cases where a conflict of interest is in question or disclosed, the applicants or grantees will be notified and actions may be pursued, including but not limited to, revising the grant work plan or grantee duties to mitigate the risk, requesting the grant applicant to submit an organizational conflict of interest mitigation plan, disqualification from eligibility for the grant award, amending the grant, or termination of the grant contract agreement.

Public Data

Per [Minn. Stat. § 13.599](#)

- Names and addresses of grant applicants and amount requested will be public data once proposal responses are opened.
- All remaining data in proposal responses (except trade secret data as defined and classified in [Minn. Stat. § 13.37](#)) will be public data after the evaluation process is completed. For the purposes of this grant, when all grant contract agreements have been fully executed.
- All data created or maintained by DEED as part of the evaluation process (except trade secret data as defined and classified in [Minn. Stat. § 13.37](#)) will be public data after the evaluation process is completed. For the purposes of this grant, when all grant contract agreements have been fully executed.

Accountability and Reporting

Accountability and reporting information will be used to monitor project progress, confirm grant reimbursement requests, and measure performance. Grantees are required to submit reports on an annual basis. Annual reports are due no later than July 25th of each year. DEED will provide the grantee with the reporting form. The reports include financial and project progress information.

Grant Payments

Per [Policy 08-08](#) reimbursement is the preferred method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget and be accompanied by supporting invoices that clearly demonstrate grant eligible activities have been completed. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date, and the latest annual report before approving payment. Grant payments shall not be made on grants with past due reports unless DEED has given the grantee a written extension.

Grant Monitoring and Audits

The grantee agrees to permit monitoring by DEED to determine grant performance and compliance with grant contract agreement provisions. The grantee further agrees to cooperate with DEED in performing and completing such monitoring activities and the grantee agrees to implement and comply with such corrective action as is proposed by DEED. The grantee must provide any financial records, timesheets, or other supporting documentation, upon the request of DEED.

Per [Minn. Stat. § 16B.98](#) Subdivision 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the Commissioner of Administration, the state granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant contract agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

The grantee shall maintain adequate financial records consistent with generally accepted accounting principles. The grantee shall submit accounting system records that track the use of grant proceeds and all matching funds by eligible Cleanup Costs for each year in which grant disbursements and expenditures were made. The records shall reflect both expenditures and revenues and shall be submitted after all grant proceeds and matching funds have been expended or at the State's request.

Grantee Bidding Requirements

Grantees that are municipalities must follow:

- The contracting and bidding requirements in the Uniform Municipal Contracting Law as defined in [Minn. Stat. § 471.345](#)
- The requirements of prevailing wage for grant-funded projects that include construction work of \$25,000 or more, per [Minn. Stat. §§ 177.41](#) through [177.44](#) These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

The grantee must not contract with vendors who are suspended or debarred in MN:

[Suspended/Debarred Vendor Information](#)

Vendor Registration

Grant recipients new to DEED-funded grants must complete a grant agreement before DEED will disburse any funds. The State of Minnesota's accounting and procurement system is called State-Wide Integrated Financial Tools (SWIFT). Every organization or sub-grantee doing business with the state is considered a vendor. Vendors must be registered with the State of Minnesota. Vendors can interact with the state through the [Supplier Portal](#), which is part of SWIFT. The Supplier Portal allows vendors to login and view payment detail as well as maintain address and contact information related to their vendor record. For new prospective grantees (vendors), if you are awarded a grant, it will be necessary to register as vendor via the [Vendor Registration link](#).

Technical Assistance

For questions regarding the application process or to seek clarification on application instructions/questions, please contact the Brownfields and Redevelopment Unit at (651) 259-7451.