

CONTAMINATION CLEANUP AND INVESTIGATION

GRANTS PROGRAM

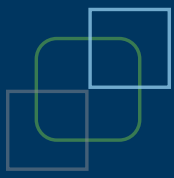
2023 ANNUAL REPORT

Minn. Stat. §§ 116J.551 – 116J.559

Estimated cost of producing report: \$803.75



| Sons of Norway Project - Minneapolis, MN



CONTAMINATION CLEANUP AND INVESTIGATION

GRANTS PROGRAM



Cleanup Mankato Bridge Plaza

The city of Mankato was awarded \$324,250.33 in cleanup funds for this 1.94-acre site that was contaminated with petroleum and other contaminants. Historically used as a hotel, junk yard, gas station, warehouse, and restaurant; the site was redeveloped into a five-story, 68,172 square foot mixed-use building. To-date the project has created 35 jobs, retained 52 jobs, and increased the property tax base by \$134,060. The required match was paid by the developer and tax increment financing.

BACKGROUND

The Contamination Cleanup and Investigation Grants Program is administered by the Department of Employment and Economic Development (DEED) through its Brownfields and Redevelopment Unit.

This program helps communities pay for the additional costs of investigation and cleanup on sites with soil and/or groundwater contamination. Grants are awarded to sites when there is a planned redevelopment.

The program was created in 1993, with the first grant round held in 1995.

ELIGIBILITY

- Grants are awarded to local units of government – cities, counties, HRAs, EDAs, and Port Authorities
- Sites can be publicly or privately owned
- Developer cannot be responsible for the contamination
- Project must have a Response Action Plan (RAP) that has been approved by the MPCA
- Expectation that the site will be redeveloped and create economic benefits of job creation or retention, tax base increase, and other benefits to the community

GRANT PROCESS

- Grants are awarded semiannually through a competitive grant process
- Priorities include:
 - Reduction or elimination of threat to public health and the environment
 - Increase in property tax base
 - Social value of the development including job creation
 - Probability of cleanup without government funds
 - Cleanup costs
 - Commitment of local authorities to pay match
- **25% local match is required, 12% of which** must come from an unrestricted source of funds

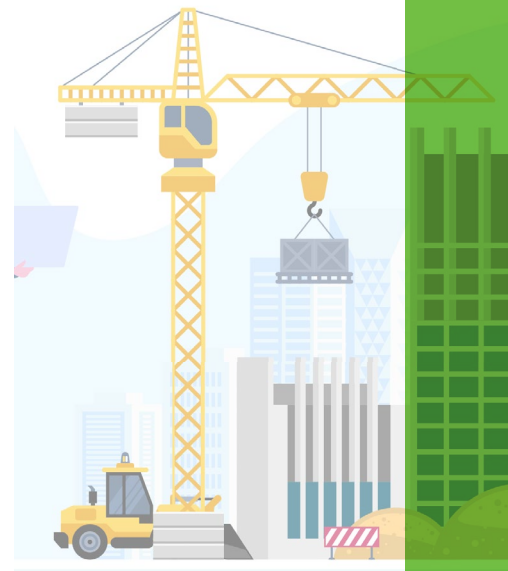
GRANT OUTCOMES*

- **630 grants totaling almost over \$208 million** have been awarded statewide
- **Over 4,044 acres** have been investigated or cleaned up
- **Over 52,000 jobs** have been created or retained
- **Over \$150 million** in increased tax base has been realized
- **Over 26,000 housing units** have been built, with over 7,600 being considered affordable
- **Over \$10 billion in private investment dollars** have been leveraged (for every grant dollar, more than \$46 in private investment has been leveraged)



GRANT STATUS*

- **Of the 630 grants, 42 are currently in awarded status.** Awarded status signifies a grant that has been awarded and the project has started or is ready to begin.
- **438 grants are currently in closed status.** Closed status means all grant funds have been spent, the development has been completed, and the final benefits have been reported.
- **19 grants are currently in closed, pending monitoring status.** Closed, pending monitoring status indicates a grant that has drawn all of its grant funds, but final review is required by DEED staff.
- **2 grant is in closed, pending RAP approval status.** Closed, pending RAP approval means that investigation of the site is complete. However, RAP preparation and/or RAP approval still need to be completed.
- **21 grants are in closed, pending cleanup or RAP implementation status.** Grants in closed, pending cleanup or RAP implementation status have spent all grant funds and have been monitored by DEED. However, a Certificate of Completion or letter from the MPCA is needed to demonstrate that the cleanup was adequate and appropriate.
- **6 grants are in closed, pending final report status.** Closed, pending final report indicates all grant funds have been spent, DEED has monitored the grant, and the development is underway. However, final benefits achieved still need to be reported to DEED.
- **8 grants are currently in closed, pending development status.** Grants in closed, pending development status have completed the cleanup of the site, but the planned development has yet to be completed.
- **31 grants are in closed, no development status.** These grants have completed cleanup of the site, but did not move forward with development.
- **60 grants are in terminated status.** Terminated grants did not move forward with the cleanup and grant funds were returned to DEED.
- **3 grants are in closed, partial development status.**



INVESTIGATION GRANTS AND CONTAMINATION CLEANUP GRANTS*

- 147 investigation grants totaling over \$4.55 million have been awarded statewide
- 483 cleanup grants totaling over \$198.43 million have been awarded statewide

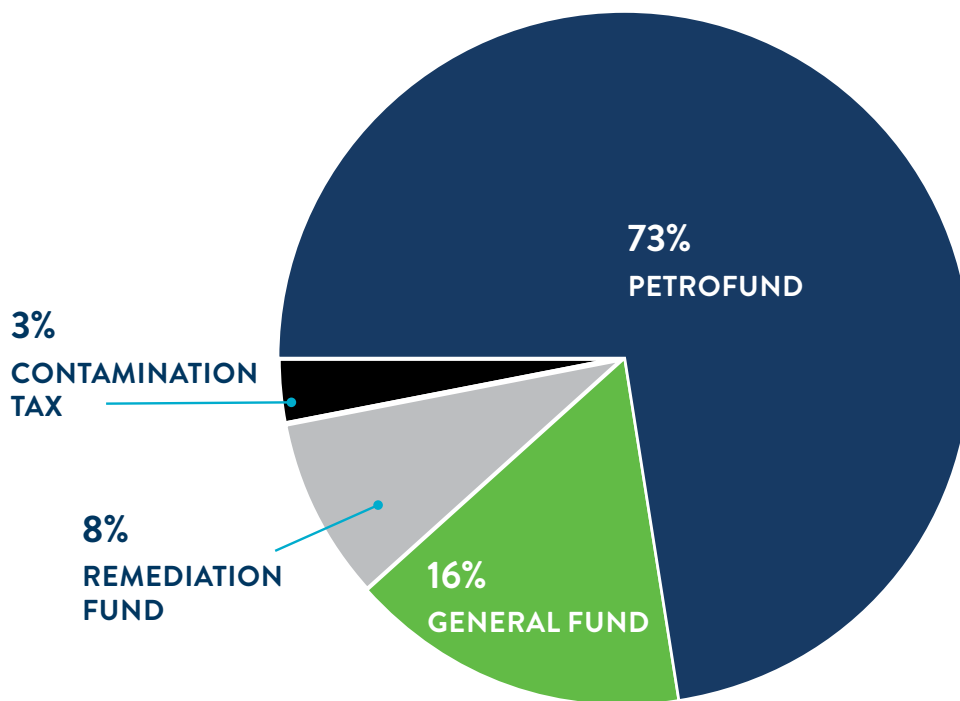
GRANTS TO GREATER MINNESOTA*

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. Due to the nature of the program and land availability, more contaminated sites are investigated and cleaned up in the metropolitan area.

- 192 grants totaling over \$37 million have been awarded to local units of government in Greater Minnesota
- 438 grants totaling over \$166 million have been awarded to the local units of government in the metropolitan area

CONTAMINATION CLEANUP AND INVESTIGATION GRANTS PROGRAM FUNDING SOURCES

Total funding for the program is approximately \$8 million per year.



*Data as of September 2023

CONTAMINATION CLEANUP GRANT PROGRAM

Grants Awarded – 2023

Grantee	Project Name	Award Amount
Albert Lea, city of	Blazing Star Phases 2 and 3	\$456,345
Minneapolis, city of	200 Central	\$308,135
Excelsior, city of	339 Third Street	\$654,000
Fridley HRA	Northern Stacks IX	\$50,000
Maplewood, city of	Caretta Senior Living	\$727,916
Minneapolis, city of	2301 California	\$508,359
Minneapolis, city of	3030 Nicollet	\$274,434
Minneapolis, city of	Northrup King Residential (see May 2020 Inv)	\$377,573
Minneapolis, city of	Seven Points	\$241,050
North St. Paul	Lillie Redevelopment	\$179,020
Saint Paul, city of	CEZ Prior Works	\$174,981
Sartell, city of	Riverfront Redevelopment	\$50,000
South St. Paul EDA	Wakota Logistics	\$1,392,363
St. Louis County	Voyageurs National Park Visitor Center	\$87,240
St. Paul Port Authority	United Village Phase I	\$600,074
Waseca, city of	Warehouse Storage	\$102,297
Total Award Amount		\$5,875,652

Bridge Plaza Project - Mankato, MN |

