



Brownfields and Redevelopment Programs

July 2013

Funding Types

Grants

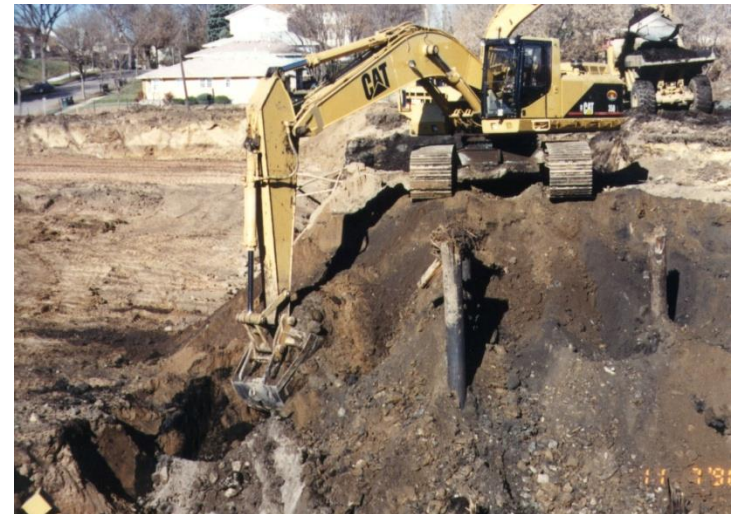
- Investigation and RAP Development
- Cleanup
- Redevelopment

Loans

- Minnesota Cleanup Revolving Loan Fund
- Demolition



Investigation and RAP Development Grants and Contamination Cleanup Grants



Eligible Applicants

- Cities
- Counties
- HRAs
- EDAs
- Port Authorities



Eligible Sites

- Known or suspected soil or groundwater contamination
- MPCA-approved RAP for Cleanup Grant applicants
- End use which will create jobs, taxes, or other public benefits
- Own or have access to property
- Resolution from applicant body and municipality (if different)

Eligible Costs

Eligible Costs	Ineligible Costs
Investigation - Phase I, Phase II, RAP Development	Project/Grant Administration
Cleanup - Contaminated soil removal and disposal, vapor barriers, groundwater treatment, etc.	Appraisal or other application costs
Public Acquisition*	Development Costs
Environmental Consulting Fees*	Asbestos Abatement in Buildings
Public Improvements*	Contingencies
Demolition*	Landscaping - Seeding, sod, trees, etc.

*Only when required to implement the RAP

Previously Incurred Costs

- Investigation Grant
 - Recent and reasonable
- Cleanup Grants
 - Funds incurred prior to award date must have been incurred after RAP approval and the RAP approval date must be within 180 days of application due date

Maximum Grant Awards

- Up to 75% of eligible cleanup and investigation costs
- Maximum of \$50,000 for investigation grants
- Of the 25% match, an amount equivalent to 12% of cleanup costs must come from an unrestricted source
- Ask for what you need

Funds Available

\$4,000,000 per cycle

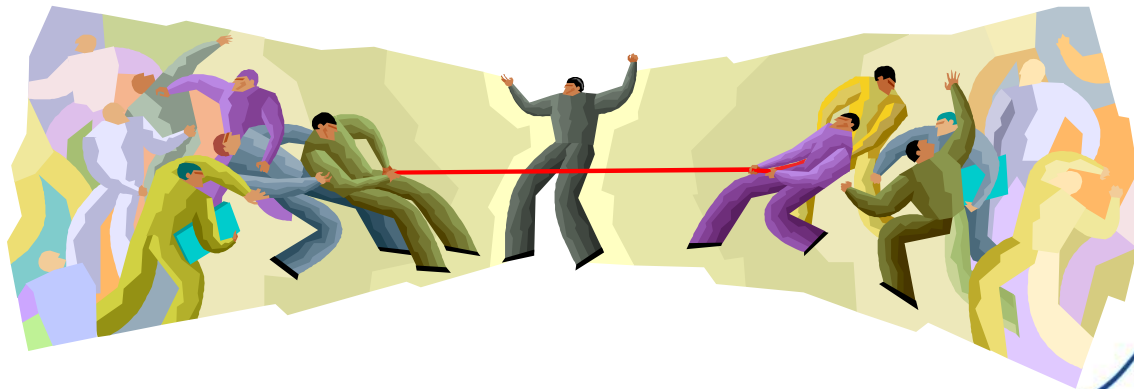
\$250,000 investigation maximum

35% Greater Minnesota statute



Competitive Grants

- Both Cleanup and Investigation grants are competitive
- Compete against other applications (no thresholds)

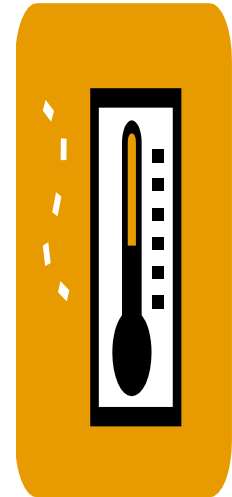


Competitive Scoring Categories

- Increase in tax base (25 points)
- Add social value (65 points)
- Reduce or eliminate health threats (25 points)
- Funding need (20 points)
- Cleanup cost (10 points)
- Commitment of local match (5 points)

Minimum Score

- Total points available = 150



- Applications must score at least 50 points to be eligible for funding

Unique and Different



- Variety of projects have been funded
 - Sites from .09 – 235 acres
 - Between 4 and 1000's Housing Units
 - New commercial, industrial, housing and expansion of existing businesses

Application Due Dates



Applications are due on
May 1 and November 1
by 4:00 pm to DEED offices

(Electronic copies of application are not accepted)

Project Readiness

- Apply when project is ready
- Grant terms are for two years and are difficult to extend



Applications

Applications may be found on the DEED website:

www.positivelyminnesota.com

FOR LOCAL GOVERNMENT

Financial Assistance

Site Cleanup and Redevelopment Funding

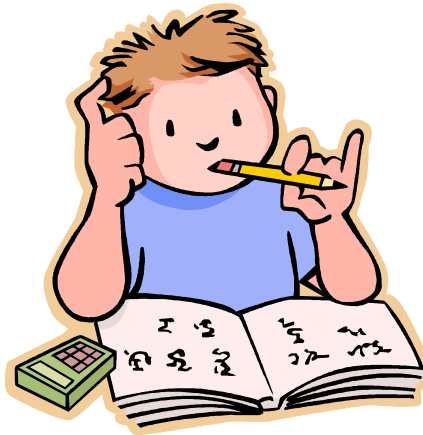
Contamination Cleanup and Investigation
Grant Program

Application Reminders

- Complete applications thoroughly by due date:
 - All questions answered
 - All attachments submitted (RAP approval, appraisals, Resolutions, etc.)
 - Closed Process
- Only Assessor or Appraiser can determine contaminated value
- Acquisition costs will only be considered in public transactions
- Use Updated Application form
- Make sure your project qualifies before submitting

Application Reminders

Please review the Program Requirements and Criteria



Awarding Grants



- Grants are generally awarded approximately 6-8 weeks after submittal.
- Funds awarded must be spent within two year grant term

Minnesota Cleanup Revolving Loan Fund (MCRLF)



Eligible Applicants

- Cities
- Counties
- HRAs
- EDAs
- Port Authorities
- Private Entities
- Non-profit Entities



Eligible Sites

- Completed All Appropriate Inquiries
- Own or have access to property
- MPCA-approved RAP
- Applicant cannot be responsible for contamination
- Have ability to repay loan

Eligible Costs

Eligible Costs	Ineligible Costs
Cleanup - Contaminated soil removal and disposal, vapor barriers, groundwater treatment, etc.	Project/Loan Administration
Asbestos Abatement in Buildings	Appraisal or other application costs
Environmental Consulting Fees*	Development Costs
Demolition*	Contingencies
	Investigation Costs

*Only when required to implement the RAP

Previously Incurred Costs

- Costs already incurred are not eligible for loan funds
- Cleanup costs only eligible after project is determined to be eligible and plan is approved by appropriate agencies

Other Loan Information

- Generally takes a minimum of 90 days to complete loan process
- Rates and term are negotiable
- Public Comment Period for each loan project

Maximum Loan Awards

- Up to 78% of eligible cleanup costs
- 22% local match must come from a non-Federal source



Funds Available

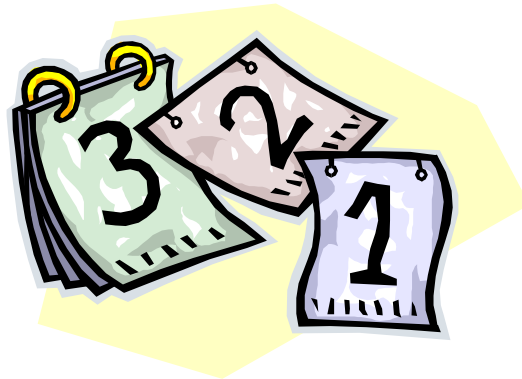
Currently:

Hazardous Substance: \$1,500,000

Petroleum: \$2,000,000

Application Due Dates

Applications are accepted
throughout the year



Applications

Applications and instructions may be found on the DEED website:

www.positivelyminnesota.com

FOR LOCAL GOVERNMENT

Financial Assistance

Site Cleanup and Redevelopment Funding

Contamination Cleanup and Investigation
Grant Program – Part 1

Minnesota Cleanup Revolving
Loan Fund – Part 2

Application Reminders

Contact DEED Staff to make sure your project qualifies before submitting



Cleanup Program Successes

- First grant awarded in 1995 and first loan awarded in 2004
- Over \$3 million in 99 INVESTIGATION grants
- Over \$111 million in 204 CLEANUP grants
- Approximately \$2.1 million in LOAN funds

Producing.....

Program Results

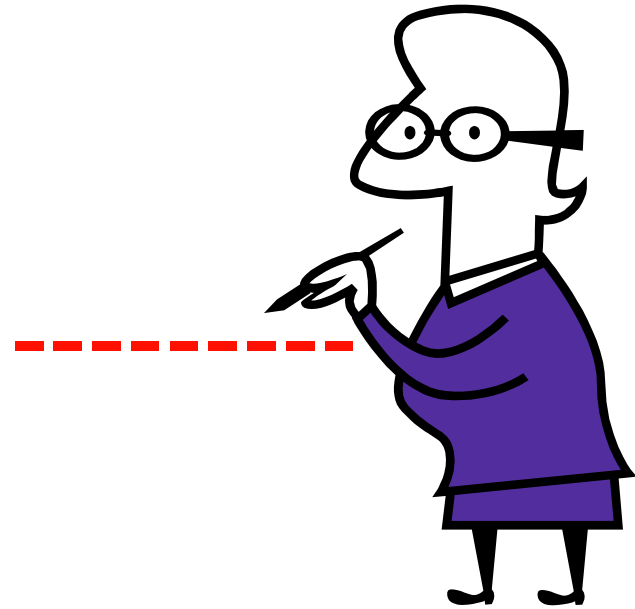
- 3,030 acres cleaned or investigated
- 34,411 new jobs created or jobs retained
- 12,477 housing units developed
- \$76.6 million in tax base increases
- Over \$3 billion in non-state funds leveraged

Redevelopment Grant Program and Demolition Loan Program



Eligible Applicants

- Cities
- Counties
- HRAs
- EDAs
- Port Authorities



Eligible Sites

- Previously been developed
- End use which will create jobs, taxes, or other public benefits
- Resolution from applicant body and municipality (if different)

Eligible Costs

Eligible Costs	Ineligible Costs
Acquisition	Project/Grant Administration
Infrastructure Improvements	Appraisal or other application costs
Soil Stabilization	Development Costs
Demolition	Environmental Remediation
Ponding or other Environmental Infrastructure	Contingencies
Interior Remediation for Re-use	Streetscape - Landscaping, benches, planters, etc.

Previously Incurred Costs

- Eligible costs are those incurred after grant award date
- Eligible costs incurred up to 12 months prior to application due date can be eligible as match

Match Requirement

- Up to 50% of eligible redevelopment costs
- Match can be from any available source

Funds Available

\$6 million



50% to Greater Minnesota

50% to Metro Area

Competitive Grants

- Grants are competitive
- Compete against other applications (no thresholds)



Competitive Scoring Categories

- Contamination remediation need (15 points)
- Qualifies and uses TIF (25 points)
- Redevelopment potential (85 points)
- Proximity to public transit (5 points)
- Multi-jurisdictional projects that take into account affordable housing, transportation and environmental impact (10 points)
- Bioscience/green economy (10 points)

Minimum Score

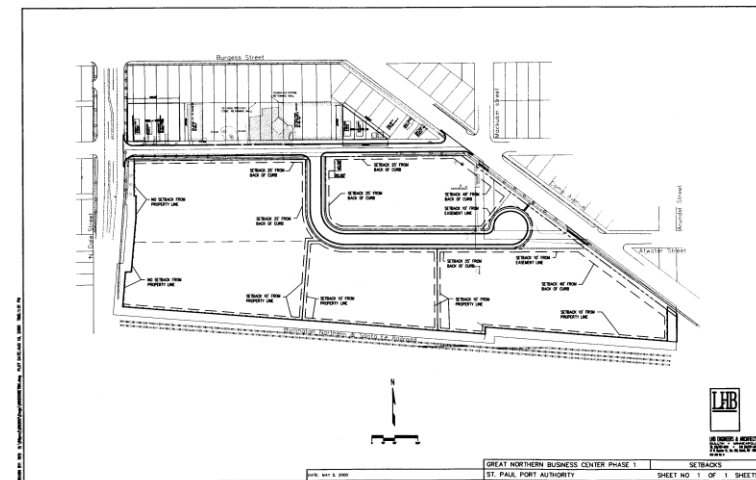
- Total points available = 150
- Applications must score at least 50 points to be eligible for funding

Project Readiness

- Apply when project is ready
- Projects must begin by date listed in grant agreement – generally within 9 months of award
- Grant terms are extremely difficult to extend

Eligible Bond Projects

- Publicly-Owned
- Public Purpose
- Public Project
 - Public infrastructure



Ownership Issues

Grantee must be the owner of the public property and the infrastructure or public facility.

Application Due Dates

Applications are due on
February 1 and August 1
by 4:00 pm to DEED offices



(Electronic copies of application are not accepted)

Applications

Applications and instructions may be found on the DEED website:

www.positivelyminnesota.com

FOR LOCAL GOVERNMENT

Financial Assistance

Site Cleanup and Redevelopment Funding

Redevelopment Grant Program

Application Reminders

- Complete applications thoroughly by due date:
 - All questions answered
 - All attachments submitted (appraisals, Resolutions, etc.)
 - Closed Process
- Only Assessor or Appraiser can determine value
- Use Updated Application form

Application Reminders

Please review the Program Requirements and Criteria



Awarding Grants



- Grants are generally awarded approximately 6-8 weeks after submittal.
- Funds awarded must be spent within grant term

Redevelopment Program Successes

- First grant awarded in 1998
- Over \$59.7 million in over 140 Redevelopment grants

Producing.....

Program Results

- 1190 acres redeveloped
- 19209 new jobs created or jobs retained
- 4,403 housing units developed
- \$24.2 million in tax base increases
- \$1.7 billion in non-state funds leveraged

Demolition Loan Program



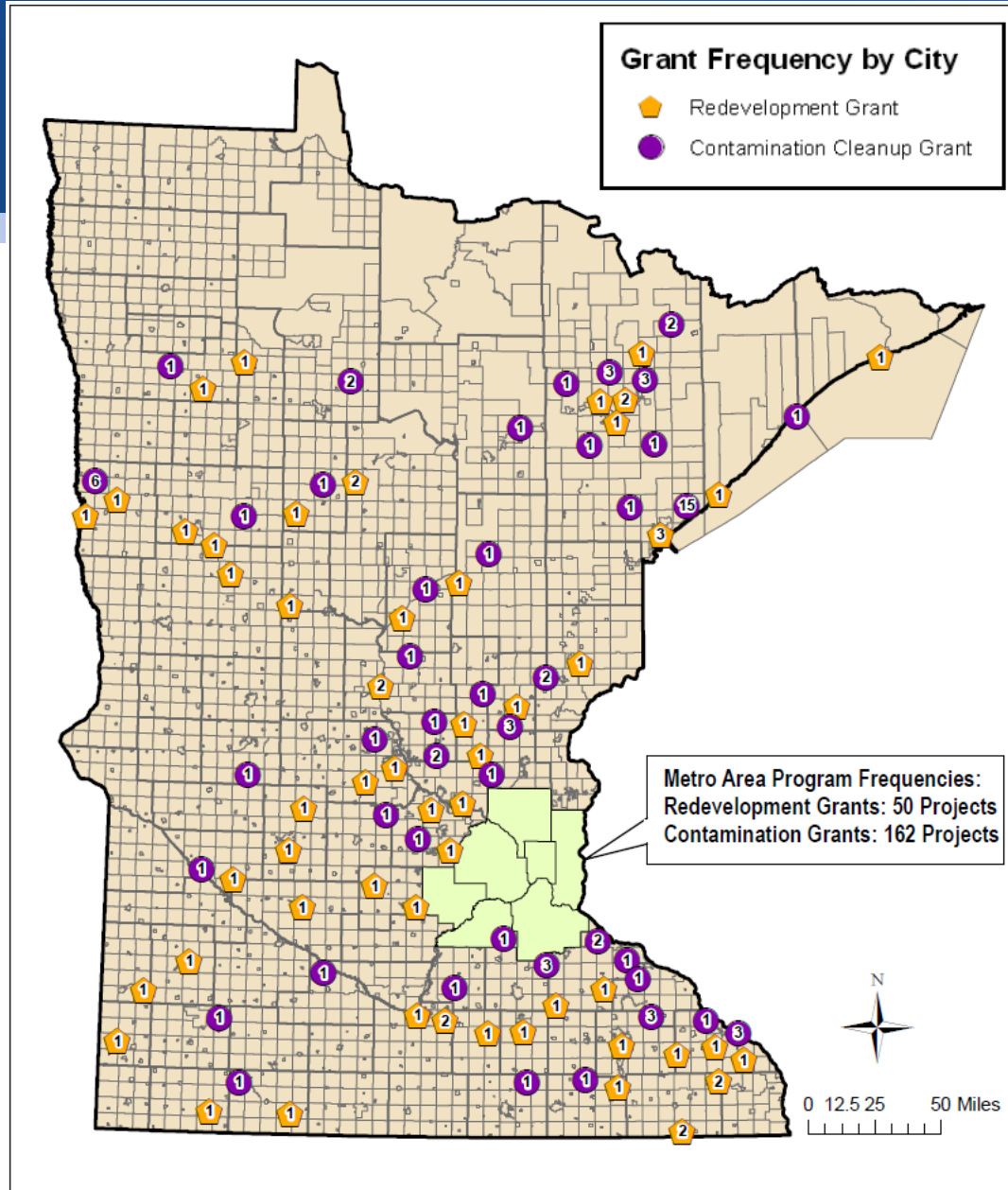
Eligible Criteria

- Same eligible applicants as Redevelopment Grants
- Eligible sites must be owned by the applicant, must have been vacant for at least one year and cannot be listed on the National Register of Historic Places
- Eligible costs include demolition and interior remediation
- Same application deadlines as Redevelopment Grants
- Doesn't have to be imminent development prospect

Other Loan Information

- May pay up to 100% of costs, maximum loan amount of \$1,000,000
- 2% interest rate for up to 15 years
- Interest free for first two years
- If development occurs, up to 50% of the remaining principal and interest could be forgiven based on development benefits

Previously Funded Cleanup and Redevelopment Grants



Comparables

	Contamination Investigation	Contamination Cleanup	Minnesota Cleanup RLF	Redevelopment	Demolition Loan
Program Created	1995	1993 (1995)	2004	1998	2011
Local Match	25%	25%	22%	50%	0%
Competitive	✓	✓	✓	✓	✓
Grant	✓	✓	Sometimes	✓	✓
Loan			✓		✓
Due Date	May and November	May and November	Anytime	February and August	February and August
Statewide Distribution	Minimum 35% GM	Minimum 35% GM		Minimum 50% GM	Minimum 50% GM
Private Use	✓	✓	✓		✓

Eligible Applicants

	Contamination Investigation	Contamination Cleanup	Minnesota Cleanup RLF	Redevelopment	Demolition Loan
City	✓	✓	✓	✓	✓
County	✓	✓	✓	✓	✓
HRA	✓	✓	✓	✓	✓
EDA	✓	✓	✓	✓	✓
Port Authority	✓	✓	✓	✓	✓
Private For Profit			✓		
Private Non-Profit			✓		
State or Federal Agency					

Use of Funds

	Contamination Investigation	Contamination Cleanup	Minnesota Cleanup RLF	Redevelopment	Demolition Loan
Investigation	✓	✓	Sometimes		
Soil/GW Cleanup		✓	✓		
Asbestos Abatement		Sometimes	✓	✓	✓
Demolition		Sometimes	Sometimes	✓	✓
Acquisition		Sometimes		✓	
Infrastructure Improvements				✓	
Geotechnical				✓	
Ponding				✓	

DEED Assistance

Brownfields and Redevelopment staff:

Meredith Udoibok,
Director
651-259-7454

Kristin Lukes,
Assistant Director
651-259-7451

Project Managers:

Terry Dalbec, 651-259-7448

Roy Murphy, 651-259-7452

Kristin Prosocki, 651-259-7453

Administrative Assistant:

Irene Dassier, 651-259-7449

For more information on DEED Funding Programs, see DEED on the Web

www.positivelyminnesota.com