



CONTAMINATION CLEANUP AND INVESTIGATION

GRANTS PROGRAM

2025 ANNUAL REPORT

Minn. Stat. §§ 116J.551 – 116J.559

Estimated cost of producing report: \$288.01

Minneapolis – Juxtaposition Arts Campus

The city of Minneapolis was awarded \$310,940 in cleanup funding for this 0.64-acre site contaminated with petroleum and other contaminants. Historically a residential and commercial site used for dry cleaners and non-profit offices, this site was redeveloped into a newly constructed three-story, 17,000 square-foot youth arts center paired with two remodeled existing buildings on the site. The project created four jobs and retained 26. Matching funds were provided by the developer and other grant sources.





CONTAMINATION CLEANUP AND INVESTIGATION

GRANTS PROGRAM



| Mankato – Sinclair Flats

The city of Mankato was awarded \$281,325 in cleanup funding for this 2.27-acre site contaminated with petroleum and other contaminants. Historically occupied by various public uses including vehicle repair and maintenance and a public works facility, this site was redeveloped into a four-story 48-unit affordable apartment building. The project created two jobs and increased the tax base by \$70,800. Matching funds were provided by the developer.

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*

- **662 grants totaling almost over \$212 million** have been awarded statewide
- **Over 4,367 acres** have been investigated or cleaned up
- **Over 51,695 jobs** have been created or retained
- **Over \$158 million** in increased tax base has been realized
- **Over 26,662 housing units** have been built, with over 7,412 being considered affordable
- **Over \$10.4 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 662 grants, 34 are currently in awarded status.** Awarded status signifies a grant that has been awarded and the project has started or is ready to begin.
- **471 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.
- **14 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 grants are 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.
- **23 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.
- **7 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.
- **32 grants are in closed, no development status.** These grants have completed cleanup of the site, but did not move forward with development.
- **69 grants are in terminated status.** Terminated grants did not move forward with the cleanup and grant funds were returned to DEED.
- **4 grants are in closed, partial development status.**





INVESTIGATION GRANTS AND CONTAMINATION CLEANUP GRANTS*

- 153 investigation grants totaling over \$4.85 million have been awarded statewide
- 509 cleanup grants totaling over \$207.615 million have been awarded statewide

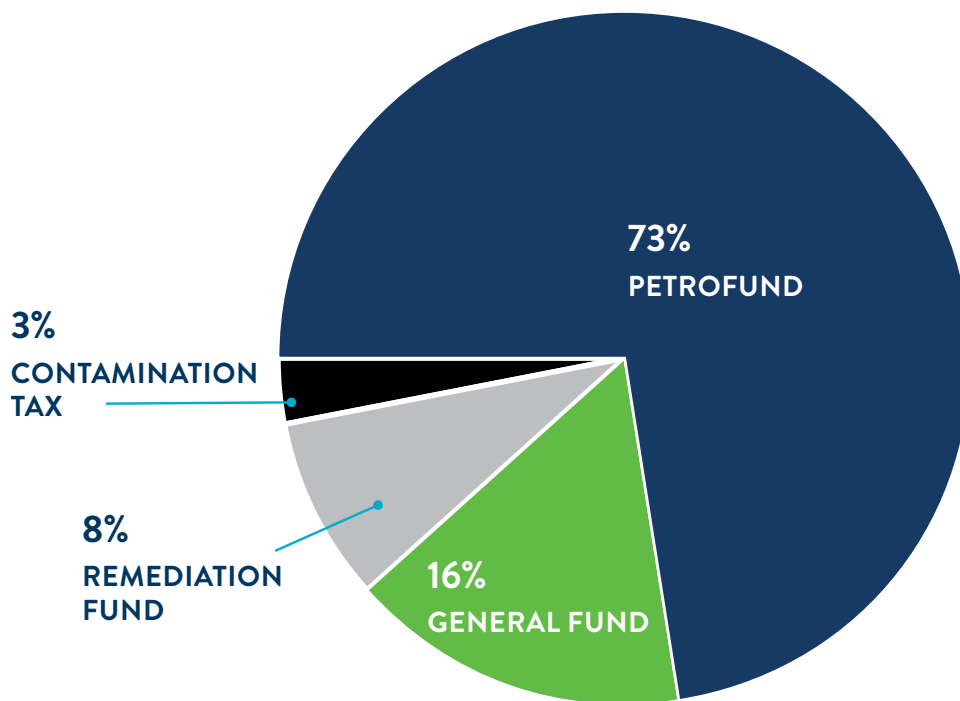
GRANTS TO GREATER MINNESOTA*

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.

- 210 grants totaling over \$42 million have been awarded to local units of government in Greater Minnesota
- 452 grants totaling over \$170.6 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 2025

CONTAMINATION CLEANUP GRANT PROGRAM

Grants Awarded – 2025

Grantee	Project Name	Award Amount
Alexandria, city of	Park and 3rd Lofts	\$455,720
Bemidji, city of	Rail Corridor	\$902,082
Duluth EDA	True North Goodwill	\$444,620
Duluth, city of	Sofidel America Expansion	\$2,399,086
Ely, city of	Ely Depot and Railroad Revitalization	\$312,257
Floodwood, city of	West Infrastructure and Housing Expansion	\$50,000
Mankato, city of	Hotel Mankato	\$323,887
Mankato, city of	Supportive Housing	\$115,554
Medina, city of	Hamel Road Apartments	\$930,687
Rochester, city of	Civic Center North	\$366,288
Rosemount, city of	Project Falcon	\$37,480
South St. Paul EDA	Wakota Crossing	\$660,490
St. Cloud, city of	Riverboat Lot	\$41,433
St. Paul, city of	42 Water St	\$354,839
St. Paul, city of	Western Graphics	\$619,821
St. Paul, city of	The Beasley	\$102,808
Two Harbors, city of	Former J & J Castings	\$50,000
Virginia, city of	Pohaki Expansion	\$107,513
Wabasha, city of	Alleghany Apartments	\$91,672
Waconia, City of	Olive & Second	\$248,302
Total		\$8,614,539



Itasca County – Itasca County Jail

Itasca County was awarded \$310,444 in cleanup funding for this 2.5-acre site located in Grand Rapids. The site was contaminated with petroleum and other contaminants. Historically a residential and commercial block used for auto repair, offices, filling stations, and a fire station, this site was redeveloped into a three-story, 74,000 square foot county jail facility. The project created 11 jobs and retained 26 jobs. Matching funds were provided by Itasca County.