CONTAMINATION CLEANUP AND INVESTIGATION

GRANTS PROGRAM



Hibbing – Eye Clinic Redevelopment

The city of Hibbing is awarded $242,644 in cleanup funding for this 0.87-acre site contaminated with petroleum and other contaminants. Historically part of an old dump, this site will be redeveloped into a one-story, 5,500 square-foot eye clinic. The project is anticipated to create 4 jobs, retain 8 jobs, increase the local tax base by $54,492, and leverage $2.3 million in private investment. Matching funds will be provided by the developer and the Department of Iron Range Resources and Rehabilitation.

2026 ANNUAL REPORT

Minn. Stat. §§ 116J.551 – 116J.559

Estimated cost of producing report: $288.01

EMPLOYMENT AND ECONOMIC DEVELOPMENT

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Excelsior – Apartment Building and Townhomes Redevelopment

The city of Excelsior is awarded $654,000 in cleanup funding for this 1.65-acre site contaminated with petroleum and other contaminants. Historically used as a cosmetic manufacturing facility and other civil uses such as a city hall and fire station, this site will be redeveloped into five connected apartment buildings containing 38 units, and two buildings containing 11 walk-up rownhomes. The development will also include 244 public parking spaces. It is anticipated this project will retain three jobs, increase the local tax base by $320,000, and leverage $28.5 million of private investment. Matching funds will be provided by the city and other grant sources.

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*

- **684 grants totaling almost over $220 million** have been awarded statewide
- **Over 4,440 acres** have been investigated or cleaned up
- **Over 52,200 jobs** have been created or retained
- **Over $164 million** in increased tax base has been realized
- **Over 28,430 housing units** have been built, with over 7,680 being considered affordable
- **Over $11 billion in private investment dollars** have been leveraged (for every grant dollar, more than $50 in private investment has been leveraged)

GRANT STATUS*

- **Of the 684 grants, 39 are currently in awarded status.** Awarded status signifies a grant that has been awarded and the project has started or is ready to begin.
- **489 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.
- **10 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.
- **24 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.
- **3 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.
- **73 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*

- **156 investigation grants totaling over $4.95 million** have been awarded statewide
- **528 cleanup grants totaling over $215.5 million** have been awarded statewide

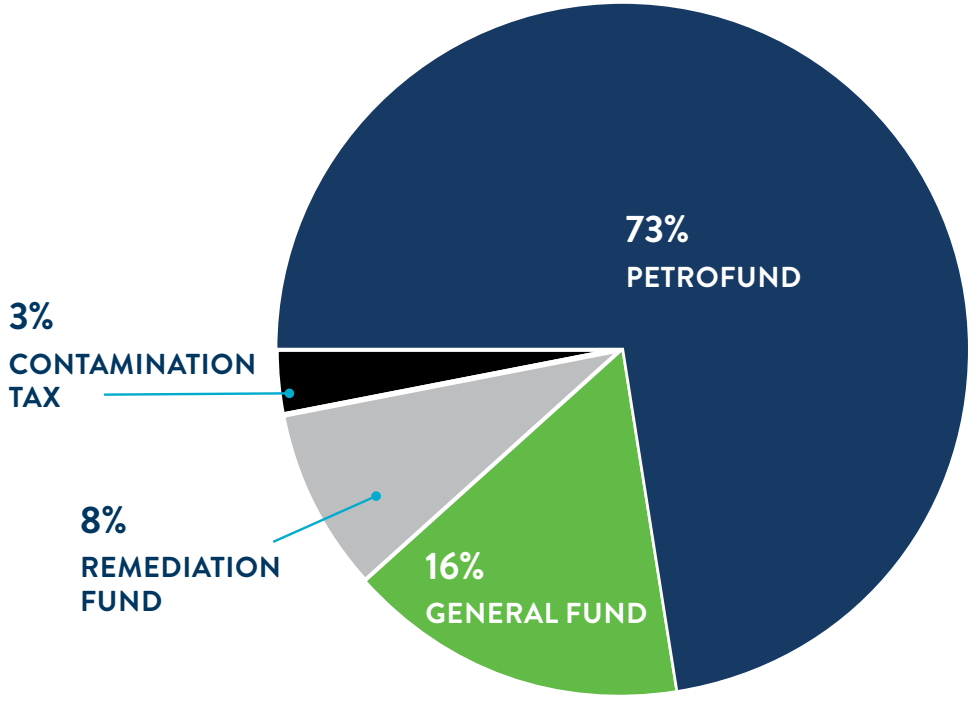
GRANTS TO GREATER MINNESOTA*

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.

- 219 **grants totaling over $44 million** have been awarded to local units of government in Greater Minnesota
- **465 grants totaling over $175.8 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 August 2026

CONTAMINATION CLEANUP GRANT PROGRAM

Grants Awarded – 2026

Grantee	Project Name	Award Amount
Albert Lea, city of	Family Housing Development	$267,487
Austin HRA	Semcac Head Start and Outreach Center	$239,883
Duluth EDA	True North Goodwill	$444,620
Duluth EDA	Lot D	$2,134,320
Ely, city of	Ely Depot and Railroad Revitalization	$257,817
Floodwood, city of	West Infrastructure and Housing Expansion	$50,000
Hermantown, city of	Fox Ridge at the Pillars	$50,482
Litchfield HRA	Housing Site	$23,775
Mankato, city of	Supportive Housing	$115,554
Melrose, city of	Downtown Melrose Redevelopment Project	$50,000
Minneapolis, city of	Northeast Green Campus Expansion	$759,333
Minneapolis, city of	The Curve Nordeast	$652,849
Minneapolis, city of	Lundstrum Performing Arts	$191,947
Rogers, City of	Willis Trucking Redevelopment	$89,862
Roseville EDA	Twin Lakes Technology Center	$2,090,850
South St. Paul EDA	Wakota Crossing	$660,490
St. Louis Park, city of	Beltline Station Development	$303,071
St. Paul, City of	Face 2 Face @ Arcade	$211,461
St. Paul, city of*	The Beasley	$0
Two Harbors, city of	Former J & J Castings	$50,000
Virginia, city of	Pohaki Expansion	$107,513
Wabasha, city of	Alleghany Apartments	$91,672
West St. Paul, city of	Thompson Oaks Redevelopment	$137,088
Total		**$8,980,074**

* Terminated



Golden Valley – Light Industrial Redevelopment

The city of Golden Valley is awarded $644,325 in cleanup funding for this 28.03-acre site contaminated with chlorinated solvents. Historically used to manufacture X-ray processing and photo finishing equipment, this site will be redeveloped into two light industrial buildings totaling 399,000 square feet of warehouse space. The project is anticipated to create 150 jobs, retain 400 jobs, increase the local tax base by $1,773,622, and leverage $62 million of private investment. Matching funds will be provided by the developer.

EMPLOYMENT AND ECONOMIC DEVELOPMENT

MN.GOV/DEED

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