Contamination Cleanup and Investigation Grants Program

Brownfields and Redevelopment Unit
Brownfields and Redevelopment Unit

- Contamination Cleanup and Investigation Grants Program
- Cleanup Revolving Loan Program
- Redevelopment Grant Program
- Demolition Loan Program
Program Purpose

The purpose of these programs is to reduce the costs of developing previously used sites.

Contamination cleanup and redevelopment costs would not be present on a site with no prior history.
What is a brownfield?
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An abandoned or underutilized property whose redevelopment is hindered by either real or perceived environmental contamination.
Brownfield Cleanup Components

• Investigation Stage
  – Phase I (historic review of property)
  – Phase II (sampling and testing)
  – Response Action Plan or RAP (cleanup strategy)

• Cleanup Stage
  – Implementing the RAP
Contamination Cleanup and Investigation Grants

- Investigation and RAP Development Grants
  - DEED can pay up to 75% of investigation costs
  - Max grant is $50,000
- Cleanup Grants
  - May include investigation costs already incurred
  - Can apply for up to 75% of costs
- Both grants are competitive
Contamination Cleanup and Investigation Grants

- Eligible applicants are:
  - Cities
  - Counties
  - HRAs
  - EDAs
  - Port Authorities
Contamination Cleanup and Investigation Grants

- Eligible sites include:
  - Both privately and publicly-owned sites
  - Known or suspected contamination
  - Development plan will create jobs, increase tax base, or result in other public benefits
  - Resolution from applicant body (and municipality if different)
  - Cleanup Grant applicants need MPCA approved Response Action Plan (RAP)
# Contamination Cleanup and Investigation Grants

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

- Grant awards
  - Up to 75% of eligible cleanup/investigation costs
  - Required match = 25% of eligible cleanup/investigation costs
    - 12% of match must come from an unrestricted source
  - Request what you need
  - 35% of awards to Greater Minnesota
Contamination Cleanup and Investigation Grants

<table>
<thead>
<tr>
<th>Scoring Criteria</th>
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<tbody>
<tr>
<td>Value of Blight Removal</td>
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<td>MPCA Ranking</td>
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<td>Need for State Assistance</td>
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<tr>
<td>Tax Increase</td>
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<td>Job Creation and Retention</td>
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<td>Time Frame</td>
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<td>Project Readiness</td>
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<td>Match Contribution</td>
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<td>Public Importance</td>
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Contamination Cleanup and Investigation Grants

- Applications
  - Due at DEED office
    November 1st by 4:00 PM
  - Application form and instructions can be found at mn.gov/deed
  - Apply when project is ready to start
Contamination Cleanup and Investigation Grants

- Application reminders
  - Answer all questions
  - Applicant must match resolution
  - Resolution must include specific language in DEED template
  - Submit application and all attachments by due date
Contamination Cleanup and Investigation Grant

- Grants awarded about 8 weeks after application submittal
- Grant funds must be spent within the grant term
- Contract start date
Cleanup Revolving Loan Program

- Eligible applicants are:
  - Cities
  - Counties
  - HRAs
  - EDAs
  - Port Authorities
  - Private entities
  - Non profits
Cleanup Revolving Loan Program

• Eligible sites include:
  – Completed “All Appropriate Inquiries”
  – Own or have ownership interest in property
  – MPCA approved RAP
  – Borrower cannot be responsible for contamination
  – Ability to repay loan
Cleanup Revolving Loan Program

- Eligible costs
  - Costs already incurred are not eligible for loan funds
  - Costs only eligible after project is determined eligible and the cleanup plan is “accepted” by the appropriate agencies
Cleanup Revolving Loan Program

• Loan awards
  – Applications are accepted throughout the year
  – Loans can reimburse up to 78% of eligible costs
  – 22% match requirement from a non-federal source
  – Rate and term are negotiable
  – Portion forgivable if borrower is local unit of government
Redevelopment Grant and Demolition Loan Programs

• Assistance primarily for demolition, asbestos abatement, and other site prep activities

• Same eligible applicants
  – Need to own site for demo loan

• Redevelopment
  – 50% match required from any available source
  – 50/50 grants to Greater MN and Metro

• No $$$
Thank you!

Any questions?
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