Redevelopment Grant Program
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Program Purpose

• Level the playing field by removing or assisting with extra costs of development on previously used sites

• Create jobs, increase taxes
Eligible Applicants

- Cities
- Counties
- HRAs
- EDAs
- Port Authorities
Eligible Projects

- Site must have been previously developed

- Redevelopment will create jobs, taxes, or other public benefits
  - Such as blight reduction, crime reduction, affordable housing, etc.

- Resolution from applicant body and municipality (if different)
## Eligible Costs

<table>
<thead>
<tr>
<th>Eligible Costs</th>
<th>Ineligible Costs</th>
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<tbody>
<tr>
<td>Demolition</td>
<td>Development Costs</td>
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<tr>
<td>Soil Stabilization (geotechnical)</td>
<td>Appraisal or other application costs</td>
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<tr>
<td>Infrastructure Improvements</td>
<td>Project/Grant Administration</td>
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<tr>
<td>Ponding or Other Environment Infrastructure</td>
<td>Environmental Remediation</td>
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<tr>
<td>Interior Abatement for Re-Use (asbestos/lead)</td>
<td>Contingencies</td>
</tr>
<tr>
<td>Acquisition (match only)</td>
<td>Streetscape (landscaping, benches, planters, etc.)</td>
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</tbody>
</table>
Previously Incurred Costs

• Eligible costs are those incurred after grant contract is executed

• Eligible costs incurred up to 12 months prior to application due date can be eligible as match
Match Requirement

• Must be 50% of total eligible redevelopment costs

• Match can be from any available source
Funds Available

$2,000,000 approximately
50% to Greater Minnesota
50% to Metro Area
Project Readiness

- Grants are competitive
- Apply when project is ready
- Projects must start by date listed in grant agreement
- Grant term extensions 😞
- Grant repayment
Competitive Scoring Categories

- Contamination remediation need (15 points)
- Qualifies for and uses TIF (10 points)
- Redevelopment potential (105 points)
- Proximity to public transit (5 points)
- Projects that are multi-jurisdictional, offer affordable housing, and/or have a positive environmental impact (15 points)
Minimum Score

• Total points available = 150

• Applications must score at least 50 points to be eligible for funding
Applications are due on **August 1, 2019**

by **4:00 pm** at DEED offices

(Required: 2 paper copies and 1 electronic, preferably flash drive)
Applications

Applications and instructions may be found on the DEED website:

www.mn.gov/deed/

FOR GOVERNMENT

Financial Assistance

Site Cleanup and Redevelopment Funding

Redevelopment Grant Program or

Demolition Loan 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
Awarding Grants

- Grants are generally awarded approximately 6-8 weeks after submittal.

- Funds awarded must be spent within grant term
Demolition Loan Program
Eligible Criteria

• Same eligible applicants as Redevelopment Grants, same application deadline
• Does not require an imminent development prospect
• Eligible costs include acquisition, demolition and interior abatement
• Eligible sites must be owned by the applicant
• Vacant for at least one year
• Cannot be listed on the National Register of Historic Places
Other Loan Information

- May pay up to 100% of costs, maximum loan amount of $1,000,000

- 2% interest rate for maximum of 15 years

- Interest and payment free for first two years

- If development occurs, up to 50% of the remaining principal and interest could be forgiven based on development benefits
Demo Loan Process

- Submit Demolition Loan Program Application
- Applications are due same time as Redevelopment Grant Program
- Awards typically announced at same time
Demolition Loan Scoring Criteria

• Extent to which the existing property conditions threaten public safety
• Length of vacancy of the property
• Development potential of the property
• Proximity of the property to existing public infrastructure
• Applicant’s financial condition and ability to repay the loan
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Questions?

For more information on DEED Programs, visit DEED’s website: www.mn.gov/deed