Commercial Redevelopment

Commercial Redevelopment grants assist communities in demolishing commercial buildings and clean-up of brownfields to make way for new development.

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Eligible Applicants: Cities, townships, counties and tribal units of government within the agency’s service area. Multi-organization collaboration is welcomed and encouraged.

Eligible Projects: Partial and full demolition of commercial buildings and clean-up of brownfields. Abatement expenses are eligible and considered a component of the demolition project.

Funding:

- Commercial Redevelopment is funded at $1,000,000 for FY2022.
- The agency requires a 1:1 match per project.
- In-kind materials and/or labor are not eligible towards the project match.
- Applications should be submitted within six months of the project construction start date.

Diversity, Equity & Inclusion:

- The Department of Iron Range Resources & Rehabilitation works to improve economic opportunities in support of diversity, equity and inclusion in our service area.
- Diverse populations served by this program include economically distressed communities, tribal nations, black, indigenous and people of color (BIPOC), veterans, low to moderate income neighborhoods and disabled individuals.
- Additional points are awarded to projects that serve a diverse population as listed above or utilize state certified Targeted Group (TG), Economically Disadvantaged (ED) area or Veteran-Owned (VO) vendors.

Evaluation Criteria (100 points)

Grants are awarded to the highest scored application using the following criteria. Please address all criteria in the project narrative.

1. Job creation. (20 points)
   - # of permanent full-time jobs created.
   - # of permanent full-time jobs retained.
   - # of temporary full-time jobs created.
   - # of temporary full-time jobs retained.
   - Describe how you will measure the jobs created or retained.

2. Development. (25 points)
   - New development or redevelopment is planned.

3. Economic impact. (25 points)
   - Wages and benefits.
   - Total project investment.

4. Project readiness and timeliness. (10 points)
Applicant and partner funding is secured.

5. Remotes blight. (5 points)

6. Program funding has not been awarded in the past two fiscal years, to include the current fiscal year. (5 points)

7. Diversity, equity and inclusion. (10 points)
   - Project incorporates a state certified targeted group, economically disadvantaged area or veteran owned vendor.
   - Project serves an underserved community/population.
   - Diverse populations that include:
     - BIPOC.
     - LGBTQI communities.
     - Disability status.
     - Veterans.
     - Geographic.

Evaluation criteria may be waived and a grant awarded when the Commissioner determines that a project will alleviate or mitigate an emergency condition, which shall mean a threat to public health, welfare or safety caused by the status of a building or structure. Top priority is given to unanticipated urgent health and public safety concerns and will be evaluated based on:
   - Location is immediate risk to community.
   - Degree of safety concerns.
   - Jobs - temporary and/or permanent, created and/or retained.

Application Checklist:
   - Project narrative.
     - Narrative must address evaluation criteria.
   - Funding sources.
     - List funding sources and contribution amounts.
     - Letter of intent from lending institution (if applicable).
   - Certified cost estimates and engineering/architectural plans and costs for new development, any service contract and/or materials must follow the state contracting and bidding requirements below:

<table>
<thead>
<tr>
<th>Contract or Cost of Material or Service</th>
<th>Quotes/Cost estimates</th>
</tr>
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<tbody>
<tr>
<td>Under $25,000</td>
<td>Three – may be upon quotation or open market</td>
</tr>
<tr>
<td>$25,000 - $175,000</td>
<td>Three – may use competitive bidding process or direct negotiation</td>
</tr>
<tr>
<td>Over $175,000</td>
<td>Sealed bids shall be solicited by public notice in the manner and subject to the requirements of the law governing contracts by the particular municipality or class thereof</td>
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- Scope of work or bid specifications must be provided for agency-funded portion of demolition project.
- Pre-demolition photographs.
• Developer business plan (if applicable).
• Resolution authorizing applicant to apply for and accept funds.
• Historic preservation requirements:
  o If your project is listed in or located on the National Register of Historic Places and/or the State Register of Historic Places (specific to public buildings and landmarks), it must be submitted to the State Historic Preservation Office (SHPO) for review and the response letter uploaded to your application.
  o Contact the State Historic Preservation Office with questions at 651-201-3287.
• Other documentation to support the application.

Application and Award Process:
• Application process:
  o Applications must be submitted through the FLUXX grants portal.
  o A short pre-application is required to determine eligibility of project.
  o Once eligibility is determined, a full application will be available in FLUXX.
• Application deadline:
  o Applications are accepted July 1 through July 30, 2021.
  o Applications submitted after July 30, 2021 through the end of the agency’s fiscal year (June 30, 2022) may be awarded on a rolling basis subject to meeting minimum scoring criteria and subject to the availability of remaining program funds.
  o Notify grant program administrator of any changes to application after final submission.
• Application review:
  o All eligible applications are reviewed by a team and evaluated and scored on an individual basis according to the evaluation criteria.
  o Grant program administrators do not score applications for their respective program.
• Application award:
  o Grants are awarded to the most competitive applications.
  o Applicants will be notified by email within 30 days following application review.
  o Grant award is subject to the Commissioner’s final approval and must meet objectives, priorities and policies established by the Commissioner.

Grant Outcome Expectations:
• Demolition CANNOT begin prior to execution of the grant contract.
• Upon receiving a grant award, that is over $175,000, it must be publicly bid. The contractor is required to be licensed and insured.
• Upon receiving a grant award, the grantee may be required to make additional documentation available that includes:
  o MPCA Intent to Demolition Form
  o Utilities disconnect form
  o Assurance of hazardous waste removal
  o Current tax statement for property.
• The agency reserves the right to require signage/logo acknowledging financial assistance from the Department of Iron Range Resources & Rehabilitation. Details are outlined in the grant agreement.
• Awarded projects must meet the Minnesota Prevailing Wage Statutes and the agency’s board policy as stated in the grant agreement.
• Spending within the agency’s service area is encouraged.

**Reporting Requirements:**
• A progress report is required if grant period is scheduled to exceed 12 months and annually thereafter.
• A monitoring report will be conducted by the program administrator if the grant is over $50,000.
• A site visit may be conducted by the program administrator.
• A final report is required before final payment.
• A close out acknowledgement form may be required if there is a remaining grant balance.

**Public Information:**
• All application information submitted is presumed to be public information pursuant to the Minnesota Data Practices Act, Minnesota Statute Chapter 13.