



## ADVISORY INFORMATION

**Date Prepared:** December 20, 2007

**Subject:** Tax Base Revitalization Account (TBRA) Funding Recommendations

### Proposed Action:

That the Metropolitan Council award \$2,385,900 for 14 Livable Communities Act (LCA) Tax Base Revitalization Account (TBRA) grants to the cities and projects identified in the staff recommendation memo and that the committee lay over the city of Hopkins, Town & Country Dodge project for reconsideration at the January 22 CDC meeting after DEED has made their funding recommendations .

### Summary of Committee Discussion / Questions:

Following the staff presentation, representatives for the Town and Country Dodge project gave a presentation advocating for funding for the project in Hopkins.

In response to doubts raised in the staff report regarding the proper handling of asbestos abatement completed, project representatives for Hopkins presented information regarding a stipulation agreement dated 12/17/07 between the developer, City Center Ventures, LLC, and the Minnesota Pollution Control Agency to pay \$5,000 in fines in response to improper handling of asbestos containing material when demolishing a building on the site.

Questions were raised by the representative from Hopkins regarding staff's assessment of need for public funding for the project. Staff explained that an assessment of the demonstrated need for projects applying to the TBRA takes into account cleanup funding from other public and private sources. Each project is analyzed to determine if the project is able to proceed without Council funding.

Some of the costs requested in the Hopkins application were determined to be ineligible. The committee requested clarification regarding the amount of the applicant's request to the TBRA and the eligibility of reimbursement for activities that have already been completed prior to applying for a grant. Staff responded that the current policy allows for the reimbursement of funding for *eligible* cleanup activities that were conducted within 180 days of the application date. Typically reimbursements for completed work are for costs associated with environmental investigation and preparation of a response action plan to properly deal with the contamination encountered. Reimbursement for cleanup activities incurred prior to the application date has also occurred for projects applying for supplemental grants.

Questions were also posed by the committee regarding the status of the funding request for the Hopkins project to the Department of Employment and Economic Development (DEED). Response: DEED is expected to make a recommendation for funding for all of the cleanup applications at the end of December.

A question was also raised regarding the amount of information provided by the applicant for a proposed redevelopment of 360 Cedar Street. No information was provided regarding end-users, the market conditions or feasibility for a proposed extended-stay hotel in the application or after an additional follow-up request by staff.

The proposed action to award TBRA grants as recommended and to delay consideration of the Hopkins Town and Country Dodge project until the January 22, 2008 Community Development Committee meeting was approved.

# Community Development Committee

**Business Item**

Item: 2007-344

**Meeting date: December 17, 2007**

<b>ADVISORY INFORMATION</b>	
<b>Date:</b>	December 10, 2007
<b>Subject:</b>	Tax Base Revitalization Account Funding Recommendations
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Livable Communities Act, Minnesota Statutes § 473.25
<b>Staff Prepared/Presented:</b>	Marcus Martin, Senior Planner, 651/602-1054 Jan Gustafson, Manager, 651/602-1384 Guy D. Peterson, Director, Housing & Livable Communities, 651/602-1418
<b>Division/Department:</b>	Housing & Livable Communities/Community Development

## Proposed Action

That the Metropolitan Council award 14 Tax Base Revitalization Account (TBRA) grants as follows:

<b>Projects recommended for Fall 2007 TBRA funding</b>	<b>Recommended amount</b>
Anoka - IMI Cornelius	\$339,000
Bloomington HRA - Penn American District	\$84,100
Bloomington HRA - The Corners/Bloomdale	\$75,000
Minneapolis - Harrison Commons	\$14,600
Minneapolis - Nicollet Youth Housing	\$107,000
Minneapolis - NWIP III 2 <sup>nd</sup> & Plymouth	\$11,400
Minneapolis - Open Arms of MN	\$87,700
Minneapolis - Soo Line Building	\$614,500
Minneapolis - Spirit on Lake	\$328,800
Plymouth - Bassett Creek Office Centre II	\$200,000
Roseville - Har Mar Apartments	\$121,500
St. Louis Park EDA - Erv's Garage	\$100,000
St. Paul - Sholom Home II	\$101,400
St. Paul - Total Tool	\$200,900
<b>Total</b>	<b>\$2,385,900</b>

## Background

The Tax Base Revitalization Account awards grants for the cleanup of contaminated land and buildings twice annually. The current recommendation is for the second funding cycle in 2007. Funding totaling over \$68M has been awarded since the grant program's inception in 1996.

## Rationale

Contamination cleanup grants are awarded based on the consistency of the recommended proposals with the Council's development goals indicated in the *2030 Regional Development Framework* and the Metropolitan Livable Communities Act. Each of the recommended proposals received in the fall funding cycle implements

Council policy to work with local communities to accommodate growth in a flexible, connected, and efficient manner. They are all redevelopment proposals; therefore the 2030 strategies for the “developed communities” are particularly applicable. The grant evaluation process, rankings, criteria and site details are explained in the Review Record attached.

## **Funding**

Funding for TBRA grants comes from an annual levy capped at \$5,000,000. The amount of money available is awarded in two funding cycles each year and is generally somewhat larger than the levy amount. The additional funds come from two sources: 1) balances from grant projects either completed under budget or, occasionally, relinquished by grantees whose projects were unable to proceed; and 2) interest credited to the account during the previous year. In the fall 2007 TBRA funding cycle, a total of \$3,330,000 is available for grants.

## **Known Support / Opposition**

Resolutions endorsing each of the applications submitted were received from the respective cities and redevelopment authorities. No documented opposition to any of the proposed projects was presented to staff during the application review process.

## Review Record

### BACKGROUND

Significant accomplishments are anticipated from current and previous funding. The following table shows the history of TBRA funding. The first column shows the expected accomplishments from the inception of the TBRA program in 1996 through the spring 2007 TBRA funding cycle. The second column shows what the accomplishments would be for the fall 2007 TBRA grant cycle if this recommendation is approved. The last column combines both previous TBRA accomplishments and proposed fall 2007 TBRA accomplishments.

	<b>1996-Spring 2007</b>	<b>Fall 2007 Recommendation</b>	<b>Total 1996-Spring 2007</b>
<b># Communities Funded</b>	35	7	35
<b># Grants</b>	227	14	241
<b>TBRA Awards</b>	\$68,174,706	\$2,385,900	\$70,560,606
<b>Private Investment</b>	\$3,710,481,172	\$179,230,053	\$3,889,711,225
<b>Tax Base Increase</b>	\$72,915,914	\$1,674,552	\$74,590,466
<b>Acres cleaned</b>	1,605	65.9	1671
<b>Jobs (new &amp; retained)</b>	28,829	1,743	30,572

### Fall 2007 Funding Process

#### Fall 2007 TBRA Program

The Council issued a notice that grant funds were available and held an applicant workshop collaboratively with the Department of Employment and Economic Development (DEED), Minnesota Pollution Control Agency (MPCA), Hennepin County, Ramsey County, Department of Agriculture and the Department of Commerce in August. Funding of \$3,330,000 is available for the fall 2007 cycle. The funds are from the TBRA levy, interest income and turned back grant funds. Sixteen applications were submitted this fall. The amount requested in the applications totals \$3,251,715. The funds available could fund 100% of the total amount of funds requested. Regardless of the amount requested, proposed projects must meet all of the eligibility criteria in order to be considered for funding.

#### Review

In order to be eligible for TBRA funding proposed projects must:

- be located within a Livable Communities Act participant community
- require little or no new regional infrastructure
- be consistent with the municipality's comprehensive plan

- submit a resolution of support from the municipality or development authority
- demonstrate a need for Council funding for the project to proceed

In addition, if a project includes housing, it must include an affordable housing component.

Council staff from Environmental Services, Transportation, Regional Parks, and Local Planning Assistance reviewed the applications and found the projects consistent with Council plans and policies.

Applicant information was evaluated with the other brownfield funding partners in the metro area including DEED, Hennepin County and Ramsey County. Questions about the information provided were clarified with city staff and/or the technical consultants that helped prepare the application. Project budgets were reviewed to determine if all of the requested expenses are eligible for TBRA grants. In this funding cycle, some of the requested funds were determined ineligible, so in some cases the amount that is eligible is less than the originally requested amount. These reductions are reflected in the recommended grant amounts.

## **Project Ranking**

The funding recommendations were evaluated based on Council-adopted criteria relating to the projected increase in tax base, increase in jobs, anticipated wage levels, proximity to jobs, the amount of environmental risk and threats to health, project density, market demand, how the project helps implement Framework 2030 policies and support regional systems, efficiency (e.g., use of transportation demand management techniques, efficient storm water and energy management), partnerships, the need for supplemental funding to a previously awarded TBRA grant and the housing performance score of the city where the project is located.

Points were assigned to each project based on how well it met the TBRA criteria. The total possible points assigned per project are 135 points. The point assignments were reviewed and discussed by other Livable Communities staff and management in addition to the TBRA coordinator. Table 1 (on page 6) lists applications recommended for funding in rank order based on the points assigned.

## **Partner Funding**

Applicants may request matching and additional non-matching TBRA funds when applying to both DEED and the Metropolitan Council. The DEED program funds a maximum of 75% of a project's clean up costs with the applicant expected to cover the other 25%. The TBRA legislation allows for TBRA funds to be used as up to 13% of the total project cleanup costs to help cover a portion of the 25% local match requirement.

Hennepin County and Ramsey County also have cleanup funds available to help with cleanups in their respective counties. As of December 10, 2007, DEED has not made final recommendations for projects to be awarded grants for the fall 2007 grant cycle. The DEED commissioner is expected to make the final approval at the end of December. Funding from Hennepin and Ramsey counties will be finalized after the January 9, 2007 Metropolitan Council meeting where the Council is scheduled to make final awards of Council funds. (Hennepin County staff has recommended grant funding for projects applying in the fall cycle. Grants are expected to be awarded by the Hennepin County Board in February 2008. Ramsey County extended the cleanup application deadline until 12/7/07 this year. Grants are expected to be awarded by the Ramsey County Board in January 2008.)

Contaminant specific funding is available in some instances for soil impacted by petroleum and drycleaner solvents from the Minnesota Department of Commerce and the MPCA, respectively.

The Council has the discretion to make up for shortfalls from funding partners using Council criteria limiting eligible awards to cleanup expenses. The TBRA recommendations take into consideration the funding recommendations by the partners but the TBRA recommendations are not dependent on the decisions of the other funding partners.

## Projects Recommended for TBRA Funding

The following projects are listed in alphabetical order by applicant. The information describes the financial aspects of the TBRA recommendations including information about funding requested from funding partners. Starting on page 8 of this memo, more detailed information for each project related to the use of the funds and the expected project results is provided. All recommendations are rounded down to the nearest \$100.

### Ten (10) “Partner” Projects Recommended for Funding

- **Bloomington, Penn American District (54 points)** – The application requests \$84,163 in TBRA matching funds for environmental investigation, soil remediation, soil vapor mitigation, and asbestos abatement and \$232,488 in DEED funds for environmental investigation, soil remediation and soil vapor mitigation. Upon review, the matching costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$84,100, the full amount of the TBRA request.
- **Bloomington, The Corners/Bloomdale (68 points)** – The application requests \$75,000 in TBRA funding for asbestos abatement. A separate request for \$340,500 was made to DEED for soil remediation, groundwater monitoring, and soil vapor mitigation. Upon review, the asbestos abatement costs requested were determined to be eligible. The TBRA recommendation is \$75,000, the full amount of the TBRA request.
- **Minneapolis, Harrison Commons (88 points)** – The application requests \$14,625 in TBRA matching funds for environmental investigation, soil remediation and soil vapor mitigation to a DEED request for \$168,750 and \$14,625 from Hennepin County. Upon review, the matching costs from TBRA requested for the activities listed above were determined to be eligible. The TBRA recommendation is \$14,600, the full amount of the TBRA request.
- **Minneapolis, NWIP III 2<sup>nd</sup> & Plymouth (78 points)** – The application requests \$11,429 in TBRA matching funds for additional environmental investigation, soil remediation, and soil vapor mitigation to a DEED request for \$131,874 and \$11,429 from Hennepin County. (Funding previously awarded includes \$32,000 from TBRA in Spring 1999 and \$55,541 in Fall 2002 and \$263,683 from DEED in fall 2002) Upon review, the matching costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$11,400, the full amount of the TBRA request.
- **Minneapolis, Open Arms of MN (52 points)** – The application requests \$87,793 in TBRA funds for environmental investigation and soil remediation. Requests were also made to DEED for \$77,257 and \$175,586 to Hennepin County. Upon review, the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$87,700, the full amount of the TBRA request.

- **Minneapolis, Spirit on Lake (62 points)** – The application requests \$328,860 in TBRA funds for soil remediation and soil vapor mitigation. An additional request for \$235,600 was made to Hennepin County to pay for environmental investigation, asbestos abatement and disposal of other hazardous materials. Upon review, the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$328,800, the full amount of the TBRA request.
- **Plymouth, Bassett Creek Office Centre II (51 points)** – The application requests \$200,000 in TBRA matching funds for additional soil remediation to a \$637,773 request to DEED. (Funding previously awarded includes \$311,600 from TBRA, \$297,812 from DEED in the spring of 2007 and \$120,715 from Hennepin County.) Upon review, the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$200,000, the full amount of the TBRA request.
- **St. Louis Park, Erv's Garage (55 points)** – The application requests \$100,000 in TBRA matching funds for environmental investigation, demolition, soil remediation, capping and asbestos abatement to a \$118,000 request from DEED and \$103,000 from Hennepin County. Upon review, the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$100,000, the full amount of the TBRA request.
- **St. Paul, Sholom Home II (79 points)** – The application requests \$101,477 in TBRA matching funds for dewatering, treatment of perched water, and the additional installation of vapor barriers together with a request of \$192,398 from DEED. Upon review, the costs requested for vapor barrier installation only were determined to be eligible. The TBRA recommendation is \$101,400, the full amount of the original TBRA request.
- **St. Paul, Total Tool (58 points)** – The application requests \$200,969 in TBRA matching and non-matching funds for environmental investigation, soil remediation, air monitoring and capping to a \$711,250 request to DEED. Upon review, the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$200,900, the full amount of the TBRA request.

### Three (3) “TBRA Only” Project Recommended for Funding

- **Anoka, IMI Cornelius (42 points)** – The application requests \$394,973 in TBRA funds for asbestos and lead-based paint abatement. (DEED funding in the amount of \$46,142 is requested for environmental investigation of the soil at the site.) Upon review, \$339,073 of the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$339,000, to fully fund the eligible costs requested.
- **Minneapolis CPED, Nicollet Youth Housing (56 points)** – The application requests \$111,292 in TBRA funds for environmental investigation, asbestos abatement, lead-based paint abatement and vermiculite removal and disposal. Upon review, \$107,042 of the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$107,000, to fully fund the eligible costs requested.
- **Minneapolis CPED - Soo Line Building (64 points)** – The application requests \$614,578 in TBRA funds for environmental investigation and asbestos abatement. Upon review, the costs requested from TBRA for the activities listed above were determined to be eligible. The TBRA recommendation is \$614,500, the full amount of the TBRA request.

- **Roseville, Har Mar Apartments (46 points)** – The application requests \$174,506 in TBRA funding for asbestos and lead-based paint abatement. Upon review, \$121,534 of the costs requested for the activities listed above were determined to be eligible. The TBRA recommendation is \$121,500, to fully fund the eligible costs requested.

## **Projects Not Recommended for TBRA Funding**

### **One (1) “TBRA Only” Project NOT Recommended for Funding**

Additional information is provided for the project starting on page 23.

- **St. Paul, 360 Cedar Street (44 points)** – Insufficient information was received regarding the market demand for the proposed development – an extended-stay hotel. A funding request for asbestos abatement of the same building was submitted in the fall 2006 funding cycle to rehabilitate existing office space. The applicant is encouraged to further develop the redevelopment concept and seek commitments from end-users of the proposed extended-stay hotel prior to seeking funding for asbestos abatement. The TBRA recommendation is for no funding.

### **One (1) “Partner” Projects NOT Eligible for Funding**

Additional information is provided for each project starting on page 22.

- **Hopkins - Town & Country Dodge** – This application was not ranked. The project did not demonstrate sufficient need for Council funding. A significant portion of the requested cleanup (69% of the costs i.e., \$400,000 for asbestos abatement and \$50,000 for removal of contaminated soil according to the VRAP) was completed prior to applying for Council funding. In addition, the asbestos abatement conducted is currently under review for a pending enforcement action by the MPCA. The remaining eligible remediation costs are one-percent of the total project costs. The project is likely to proceed without additional TBRA funding and, thus, was determined to be ineligible because the project did not meet the “but for” requirement. The TBRA recommendation is for no funding.

## **Demonstrated Need for TBRA Funding – The “but for” Requirement**

Eligible requests need to demonstrate that TBRA funding is essential for the project to be completed as proposed. This determination is made by reviewing the applications, verifying the data and gaining input from the various partners. The first measure that is considered is a comparison of the amount of the eligible cleanup funding requested to the overall project costs. Where the clean up costs one-percent or less than the total project costs, it is expected that the clean up cost can be reasonably absorbed in the project costs without Council assistance. The eligible cleanup costs for all of the projects in the fall 2007 round except one (Hopkins) were over 1% of the project costs and thus considered a significant barrier to development. The second measure is the amount of funding available from other public and private sources to conduct the cleanup. Subsequently, a determination is made if the project as proposed will proceed “but for” Council funding.



Table 1

**Tax Base Revitalization Account**

**Spring 2007 Ranking and Funding Recommendations**

<b>Rank</b>	<b>City - Project Name</b>	<b>Score</b>	<b>TBRA Request</b>	<b>Eligible Amount</b>	<b>Recommend Funding*</b>
1	Minneapolis - Harrison Commons		\$14,625	\$14,625	\$14,600
2	St. Paul - Sholom Home II		\$101,477	\$101,477	\$101,400
3	Minneapolis - NWIP III 2 <sup>nd</sup> & Plymouth		\$11,429	\$11,429	\$11,400
4	Bloomington HRA- The Corners/Bloomdale		\$75,000	\$75,000	\$75,000
5	Minneapolis - Soo Line Building		\$614,578	\$614,578	\$614,500
6	Minneapolis - Spirit on Lake		\$328,860	\$328,860	\$328,800
7	St. Paul - Total Tool		\$200,969	\$200,969	\$200,900
8	Minneapolis - Nicollet Youth Housing		\$111,292	\$107,042	\$107,000
9	St. Louis Park EDA- Erv's Garage		\$100,000	\$100,000	\$100,000
10	Bloomington HRA - Penn American District		\$84,163	\$84,163	\$84,100
11	Minneapolis - Open Arms of MN		\$87,793	\$87,793	\$87,700
12	Plymouth - Bassett Creek Office Centre II		\$200,000	\$200,000	\$200,000
13	Roseville - Har Mar Apartments		\$174,506	\$121,534	\$121,500
14	St. Paul - 360 Cedar Street		\$670,800	\$613,290	\$0
15	Anoka - IMI Cornelius		\$394,973	\$339,073	\$339,000
	Hopkins - Town & Country Dodge **		\$81,250	\$0	\$0
				<b>TOTAL</b>	<b>\$2,385,900</b>

\* Recommended funds are rounded down to the nearest \$100.

\*\* Application not eligible for funding

**Additional Review Considerations**

All the recommended applicant communities participate in the Livable Communities Local Housing Incentives program. The projects are consistent with the applicant community's local comprehensive plan, and they have been determined to have adequate urban services to support the proposed project. Each project has a resolution of support from the applicant city or development authority.

The Livable Communities Act requires that no more than three-quarters of the TBRA funding be awarded to cities of the first class (Minneapolis and St. Paul). In this round, they are recommended to receive 61.4% (\$1,466,600). Recommended grants to suburban applicants total 38.6% (\$921,700) of available funding.

The Livable Communities Act also prohibits awarding more than half of the available funding to a single city if the eligible requests for funding exceed the amount available. In this round, none of the eligible cities are recommended for half or more of the amount available to award.

Up to ten points are awarded to a project based upon the Housing Performance Score of the applicant city or county. Applications that involve cleanup to facilitate an affordable housing development receive their own score or the average score of all applicant communities, whichever is higher. Applications not involving cleanup to facilitate affordable housing receive their own Housing Performance Score.

Table 2

**Tax Base Revitalization Account**

Livable Communities Funding Guidelines

<b>Communities</b>	<b>Spring 2007 Recommendation</b>	<b>Percentage</b>	<b>Criteria</b>
Suburban	\$919,600	38.5%	
Cities of the First Class (Minneapolis and St. Paul)	\$1,466,300	61.5%	No more than 75% to cities of the First Class
Total	\$2,385,900	100%	
City with the largest total recommendations (Minneapolis)	\$1,164,000	35%	No more than 50% to any one city.

## Project Details

### Projects Recommended for TBRA Funding

Following is a summary of each project recommended for funding listed alphabetically.

#### Anoka – IMI Cornelius (42 points)

Location:	1 Cornelius Place Anoka, MN 55303
Council District:	9 – Natalie Haas Steffen
Acres:	26 acres
Total Eligible Cleanup	\$394,973 for asbestos and lead-based paint abatement
Funding request:	\$394,973 in TBRA funds for asbestos and lead-based paint abatement. Upon review, \$339,073 of the costs were determined to be eligible.
Private Investment:	\$13,000,000
Increase in Net Tax	\$112,028
Jobs:	275 FTE (75 new FTE, 200 retained FTE)
Affordable Housing	NA
Project Summary	<p>The applicant is requesting \$394,973 in TBRA funds for asbestos and lead-based paint abatement for the renovation and partial demolition of a vacant industrial facility formerly used for manufacturing beverage dispensers on a 26-acre site. Upon review, \$339,073 of the costs were determined to be eligible. The expected benefits include the development of 230,000 sq. ft. of office space with a projected increase of \$112,028 in net tax capacity and \$13M of private investment.</p> <p>The TBRA recommendation is \$339,000, to fully fund the eligible costs requested. Funds are to be used for asbestos and lead-based paint abatement. (Note, costs for removing “universal wastes” are not eligible for grant funding.)</p>

**Bloomington HRA – Penn American District (54 points)**

Location:	2151 American Blvd West, 8051 Penn Avenue South Bloomington, MN 55431-1310
Council District:	5 – Russ Susag
Acres:	3.95 acres for Phase 1 (8.83 for whole site)
Estimated Cleanup Cost:	\$330,650 for environmental investigation, soil remediation, soil vapor mitigation, asbestos abatement. Upon review, \$210,650 of the costs were determined to be eligible.
Funding request:	\$84,163 in TBRA matching funds for environmental investigation, soil remediation, soil vapor mitigation, and non-matching funds for asbestos abatement.
Private Investment:	\$15,000,000
Increase in Net Tax Capacity:	\$60,648
Jobs:	70 FTE (all at a living wage)
Affordable Housing Units:	12 units
Project Summary	<p>The applicant is requesting \$86,163 in matching TBRA funds to a \$232,488 request from DEED and \$20,000 from Hennepin County for soil remediation, soil vapor mitigation, and asbestos abatement for the first phase of a two-phase mixed-use residential and commercial redevelopment of a 3.95-acre site formerly used as a auto dealership, repair and washing facility. The contamination of concern identified includes DRO and arsenic in the soil. Isolated detections of PCBs and PCE were also found in the soil. Contamination of concern identified in the ground water includes GRO and benzene and an isolated detection of cis-1,2-DCE. The expected benefits for Phase 1 include 40,000 sq. ft. of retail space, a projected increase of \$60,648 in net tax capacity and \$15M of private investment.</p> <p>The TBRA recommendation is \$84,100, the full amount of the TBRA request. Funds are to be used for environmental investigation, soil remediation, soil vapor mitigation, asbestos abatement. (Note, demolition costs are not eligible for grant funding.)</p>

**Bloomington HRA – The Corners/Bloomdale (68 points)**

Location:	10718, 10724 and 10750 France Avenue South, 3901 Old Shakopee Road West and 3919 Old Shakopee Road West, Bloomington, MN 55431-3626
Council District:	5 – Russ Susag
Acres:	5.64 acres
Estimated Cleanup Cost:	\$529,000 for soil remediation, groundwater monitoring, soil vapor mitigation and asbestos abatement. Upon review, \$442,000 of the costs were determined to be eligible.
Funding request:	\$75,000 in TBRA funds for asbestos abatement only.
Private Investment:	\$13,840,000
Increase in Net Tax Capacity:	\$138,990
Jobs:	85 FTE (including 81 new jobs and 4 retained FTE; 66 will be living wage jobs)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$75,000 in non-matching TBRA funds for asbestos abatement only within 3 buildings totaling approximately 54,841 sq. ft. on a 5.64-acre site that formerly included a gas station and dry cleaner. Additional funding requests were made to DEED (\$340,500) and Hennepin County (\$55,600) for soil remediation, groundwater monitoring, and soil vapor mitigation. The contamination identified includes DRO GRO, xylene, benzene, ethylbenzene and toluene in the soil. There was also detections of PCE, TCE and 1,2-DCE in the soil vapor. The expected benefits include a mixed-use retail and commercial development that will be built in two phases. Phase one includes 36,728 sq. ft. of commercial/retail space. Phase two includes an additional 10,000 sq. ft. of office space with a projected increase of \$138,990 in net tax capacity and \$13.8M of private investment.</p> <p>The TBRA recommendation is \$75,000, the full amount of the TBRA request. Funds are to be used for asbestos abatement only. (Note, removal of other hazardous materials is not eligible for grant funding.)</p>

**Minneapolis CPED – Harrison Commons (88 points)**

Location:	315 Penn Av. North Minneapolis 55405-1106
Council District:	7 – Annette Meeks
Acres:	0.46 acres
Estimated Cleanup Cost:	\$225,000 for environmental investigation, soil remediation and soil vapor mitigation.
Funding request:	\$14,625 in TBRA funds for environmental investigation, soil remediation and soil vapor mitigation.
Private Investment:	\$7,627,000
Increase in Net Tax Capacity:	\$35,216
Jobs:	19 FTE (including 11 living wage jobs)
Affordable Housing Units:	45 rental units (32 at 60% AMI, 13 at 50% AMI)
Project Summary	<p>The applicant is requesting \$14,625 in matching TBRA funds to a \$168,750 request from DEED and \$14,625 from Hennepin County for environmental investigation, soil remediation and soil vapor mitigation of a 0.46-acre site formerly used as a gas station. The contamination identified includes GRO, xylene, benzene, ethylbenzene and toluene in the soil and ground water and also naphthalene, 1,2,4-trimethylbenzene and 1,3,5-trimethylbenzene in the ground water. The expected benefits include the development of 66,982 sq. ft. of mixed-use residential and commercial building with 45 rental units (13 units will be affordable) and 7,800 sq. ft. retail commercial space with a projected increase of \$35,216 in net tax capacity and \$7.6M of private investment.</p> <p>The TBRA recommendation is \$14,600, the full amount of the TBRA request. Funds are to be used for environmental investigation, soil remediation and soil vapor mitigation.</p>

**Minneapolis CPED – Nicollet Youth Housing (56 points)**

Location:	3700 Nicollet Avenue Minneapolis MN 55409-1237
Council District:	7 – Annette Meeks
Acres:	0.91 acres
Estimated Cleanup Cost:	\$111,292 for environmental investigation, asbestos and lead-based paint abatement and vermiculite removal and disposal. Upon review, \$107,042 of the costs were determined to be eligible.
Funding request:	\$111,292 in TBRA funds for environmental investigation, asbestos and lead-based paint abatement and vermiculite removal and disposal. Upon review, \$107,042 of the costs were determined to be eligible.
Private Investment:	\$8,120,236
Increase in Net Tax Capacity:	\$0
Jobs:	5 FTE
Affordable Housing Units:	42 rental units
Project Summary	<p>The applicant is requesting \$111,292 in TBRA funds for environmental investigation, asbestos and lead-based paint abatement and vermiculite removal and disposal in a funeral home and residential buildings on a 0.91-acre site. The expected benefits include the development of a 42-unit supportive housing development (all will be affordable) and 7,000 sq. ft. of commercial space. Although the development will be taxable, there is a net loss when compared to the existing net tax capacity of the project site. The development will result in \$8.1M of private investment.</p> <p>The TBRA recommendation is \$107,000, to fully fund the eligible costs requested. Funds are to be used for environmental investigation, asbestos and lead-based paint abatement and vermiculite removal and disposal. (Note Removal of other hazardous materials are not eligible for grant funding. In addition, environmental investigation costs incurred prior to May 1, 2007 are not eligible for grant funds.)</p>

**Minneapolis CPED – NWIP III 2<sup>nd</sup> & Plymouth (78 points)**

Location:	1300 & 1316 2 <sup>nd</sup> Street North and 109 14 <sup>th</sup> Avenue North Minneapolis, MN 55411-3402
Council District:	7 – Annette Meeks
Acres:	1.7 acres
Estimated Cleanup Cost:	\$175,833 for additional environmental investigation, soil remediation, and soil vapor mitigation. Upon review, \$162,250 of the costs were determined to be eligible.
Funding request:	\$11,429 in TBRA funds for additional environmental investigation, soil remediation, and soil vapor mitigation. (Funding previously awarded includes \$32,000 from TBRA in Spring 1999 and \$55,541 in Fall 2002 and \$263,683 from DEED in fall 2002)
Private Investment:	\$4,800,000
Increase in Net Tax Capacity:	\$94,875
Jobs:	95 FTE (33 new and 62 retained, all will be living wage jobs)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$11,429 in matching TBRA funds to a \$131,874 request from DEED and \$11,429 from Hennepin County for soil remediation of a 1.7-acre site most recently used as an automotive scrap yard but also used for metal recycling, lumber milling, wood working, metal manufacturing, paint manufacturing, coal storage, and creosote storage. (Funding previously awarded includes \$32,000 in the spring of 1999 and \$55,541 in the fall of 2002 from TBRA and \$263,683 from DEED in the fall of 2002.) The contamination identified includes BaP equivalents. The expected benefits include the development of a 47,400 sq. ft. multi-tenant office/industrial building with a projected increase of \$94,875 in net tax capacity and \$4.8M of private investment.</p> <p>The TBRA recommendation is \$11,400, the full amount of the TBRA request. Funds are to be used for additional environmental investigation, soil remediation, and soil vapor mitigation. (Note, environmental investigation costs incurred prior to May 1, 2007 are not eligible for grant funding. In addition, geotechnical costs are not eligible for funding.)</p>



**Minneapolis CPED – Open Arms of Minnesota (52 points)**

Location:	2500-2520 Bloomington Avenue South and 1511 – 25 <sup>th</sup> Street East Minneapolis, MN 55404
Council District:	7 – Annette Meeks
Acres:	0.84 acres
Estimated Cleanup Cost:	\$351,172 for environmental investigation and soil remediation
Funding request:	\$87,793 in TBRA funds for environmental investigation and soil remediation.
Private Investment:	\$7,000,000
Increase in Net Tax Capacity:	\$0 (The property will be tax-exempt.)
Jobs:	20.5 FTE (7 new FTE and 13.5 retained, including 17 jobs at a living wage)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$87,793 in both matching and non-matching TBRA funds for environmental investigation and soil remediation to a \$77,257 request from DEED and \$175,586 from Hennepin County for a 0.84-acre site formerly used as an auto repair shop, sign painting business, and machine shop. The contamination identified includes DRO, BaP equivalents, and metals (arsenic and lead) in the soil. The expected benefits include the development of a 15,000-20,000 sq. ft. commercial kitchen and office building and \$7M of private investment. The proposed project will be owned by a non-profit and thus be tax-exempt.</p> <p>The TBRA recommendation is \$87,700, the full amount of the TBRA request. Funds are to be used for environmental investigation and soil remediation.</p>

**Minneapolis CPED – Soo Line Building (64 points)**

Location:	501 Marquette Avenue South Minneapolis, MN 55402-1201
Council District:	7 – Annette Meeks
Acres:	0.38 acres
Estimated Cleanup Cost:	\$626,578 for environmental investigation and asbestos abatement. (Applicant is not requesting funding for lead-based paint abatement.) Upon review, \$616,397 of the costs were determined to be eligible.
Funding request:	\$614,578 in TBRA funds for environmental investigation and asbestos abatement.
Private Investment:	\$33,625,311
Increase in Net Tax Capacity:	\$904,061
Jobs:	535 jobs (71 new FTE at or above living wage and 464 retained jobs)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$626,578 in TBRA funds for environmental investigation and asbestos abatement of a 252,960 sq. ft office on a 0.38-acre site. The expected benefits include the renovation of the basement and floors 1 through 10 of the existing building into a hotel and continued use of floors 11 and above as office development with a projected increase of \$904,061 in annual net tax capacity and \$33.6M of private investment.</p> <p>The TBRA recommendation is \$614,500, the full amount of the TBRA request. Funds are to be used for environmental investigation and asbestos abatement. (Note, costs for project coordination, mileage and bid preparation are not eligible for grant funding.)</p>

**Minneapolis CPED – Spirit on Lake (62 points)**

Location:	1238 East Lake Street and 2930 13 <sup>th</sup> Avenue South Minneapolis, MN 55407
Council District:	7 – Annette Meeks
Acres:	0.82 acres
Estimated Cleanup Cost:	\$574,460 for environmental investigation, asbestos abatement, soil remediation, and soil vapor mitigation.
Funding request:	\$328,860 in TBRA funds for soil remediation and soil vapor mitigation only. (Costs for environmental investigation, asbestos abatement, disposal of other hazardous materials and demolition are requested from Hennepin County ERF.)
Private Investment:	\$8,593,054
Increase in Net Tax Capacity:	\$40,000
Jobs:	4.75 FTE (3.25 new and 1.5 retained, all at or above the living wage)
Affordable Housing Units:	16 ownership units
Project Summary	<p>The applicant is requesting \$328,860 in TBRA funds for soil remediation and soil vapor mitigation on a 0.82-acre site formerly used as an automobile sales and repair business and most recently as a church. An additional funding request was made to Hennepin County (\$235,000) for environmental investigation, asbestos abatement and soil remediation. The contamination identified includes DRO and BaP equivalents. The expected benefits include the development of a 4-story mixed-use building including 41 ownership residential units (including 16 affordable units) and 6,000 sq. ft. of commercial/non-profit space with a projected increase of \$40,000 in net tax capacity and \$8.5M of private investment.</p> <p>The TBRA recommendation is \$328,800, the full amount of the TBRA request. Funds are to be used for soil remediation and soil vapor mitigation only.</p>

**Plymouth – Bassett Creek Office Centre II (51 points)**

Location:	6th Avenue and Highway 55 Plymouth, MN 55441
Council District:	1 – Roger Scherer
Acres:	13.38 acres
Estimated Cleanup Cost:	\$1,855,618 for additional environmental investigation and soil remediation.
Funding request:	\$200,000 in TBRA funds for air monitoring and soil remediation. (Funding previously awarded includes \$311,600 from TBRA, \$297,812 from DEED in Spring 2007 and \$120,715 from Hennepin County.)
Private Investment:	\$22,500,000
Increase in Net Tax Capacity:	\$263,980
Jobs:	300 FTE (jobs discounted by ½ due to lack of identified end-user.)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$200,000 in additional matching and non-matching TBRA funds for environmental investigation and soil remediation to a \$637,773 request from DEED for a 13.38-acre site formerly used as an illegal dumping site after a golf driving range on the site closed. (Funding previously awarded includes \$311,600 from TBRA and \$297,812 from DEED in the spring of 2007.) Contamination identified includes asbestos-containing materials in the soil among isolated samples of debris. The expected benefits include the development of a 150,000 sq. ft. class-A office building with a projected increase of \$263,980 in net tax capacity and \$22.5M of private investment.</p> <p>The TBRA recommendation is \$200,000, the full amount of the TBRA request. Funds are to be used for air monitoring and soil remediation of asbestos containing material. (Note, soil with other debris, mileage costs and project coordination costs are not eligible for grant funding.)</p>

**Roseville – Har Mar Apartments (46 points)**

Location:	2225, 2235, 2245, 2255, 2265 Snelling Avenue North, Roseville, MN 55113-4230
Council District:	10 – Kris Sanda
Acres:	5.4 acres
Estimated Cleanup Cost:	\$174,506 for asbestos and lead-based paint abatement. Upon review, \$121,534 of the costs were determined to be eligible.
Funding request:	\$174,506 in TBRA funds for asbestos and lead-based paint abatement. Upon review, \$121,534 of the costs were determined to be eligible.
Private Investment:	\$4,078,680
Increase in Net Tax Capacity:	\$12,438
Jobs:	2 FTE (both are new living wage jobs)
Affordable Housing Units:	103 affordable rental units
Project Summary	<p>The applicant is requesting \$174,506 in TBRA funds for asbestos and lead-based paint abatement of a 5-building, 120-unit apartment complex on a 5.4-acre site. The expected benefits include the rehabilitation of the residential complex into 73 1-bedroom and 30 2-bedroom units for a total of 103 affordable rental units with a projected increase of \$12,438 in net tax capacity and \$4M of private investment.</p> <p>The TBRA recommendation is \$121,500, to fully fund the eligible costs requested. Funds are to be used for asbestos and lead-based paint abatement. (Note, abatement of other hazardous materials is not eligible for grant funding.)</p>

**St. Louis Park EDA – Erv’s Garage (55 points)**

Location:	7102, 7104 West Lake Street St. Louis Park, MN 55426-4417
Council District:	6 – Peggy Leppik
Acres:	0.36 acres (15,670 sf)
Estimated Cleanup Cost:	\$401,000 for environmental investigation, demolition, soil remediation, capping and asbestos abatement.
Funding request:	\$100,000 in TBRA funds for environmental investigation, demolition, soil remediation and capping.
Private Investment:	\$1,023,970
Increase in Net Tax Capacity:	\$18,467
Jobs:	21 FTE (all at or above a living wage)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$100,000 in matching and non-matching TBRA funds to a \$118,000 request from DEED and \$103,000 from Hennepin County for environmental investigation, demolition, soil remediation and capping of a 0.36-acre site formerly used for automotive and small engine repair and most recently a storage facility for a moving supply company. The site is also impacted by off-site contamination from two former National Priority List sites: National Lead/Golden Auto site and Reilly Tar and Chemical site. The contamination identified includes PAHs, and metals (lead and antimony) in the soil and a low level of DRO in the shallow ground water. (Regional ground water in the deeper glacial and bedrock aquifer is know to be impacted by PAHs from Reilly and chlorinated solvents from an unknown source.The expected benefits include the development of a 4,000 sq. ft. office with a projected increase of \$18,467 in net tax capacity and \$1M of private investment.</p> <p><u>The TBRA recommendation is \$100,000</u>, the full amount of the TBRA request. Funds are to be used for environmental investigation, demolition, soil remediation, capping and asbestos abatement. (Note, other hazardous or restricted wastes are not eligible for grant funding.)</p>

**St. Paul PED – Sholom Home II (79 points)**

Location:	South of intersection of West 7 <sup>th</sup> Street & Otto Avenue St. Paul, MN 55102
Council District:	13 – Rick Aguilar
Acres:	3.24 acres
Estimated Cleanup Cost:	\$523,002 for dewatering, treatment of perched water, and installation of vapor barriers.
Funding request:	\$101,477 in TBRA to be used as matching funds to a DEED request and additional non-matching funds for dewatering, treatment of perched water, and installation of vapor barriers. Upon review, only costs related to installation of additional vapor barriers were determined to be eligible for this funding cycle. Funding previously awarded includes \$150,000 from TBRA in fall 2005 funding cycle and \$20,223 from DEED in spring 2006)
Private Investment:	\$38,239,502
Increase in Net Tax Capacity:	\$3,613 (Note, the increase reflects the difference between the estimated future net tax capacity and initial net tax capacity for taxes payable in 2007. The base value from 2007 includes increases in net tax capacity that have been captured since the project was first awarded funding in 2005.)
Jobs:	148 FTE (25.5 new FTE and 122.5 retained FTE)
Affordable Housing Units:	105 rental units
Project Summary	<p>The applicant is requesting \$101,477 in additional matching and non-matching TBRA funds for dewatering, treatment of perched water, and installation of vapor barriers on a 3.24-acre site formerly used by gas station, auto sales and bulk petroleum storage businesses. Upon review, only costs related to installation of additional vapor barriers were determined to be eligible. (Funding previously awarded includes \$150,000 from TBRA in the fall of 2005 and \$20,223 from DEED in the spring of 2006.) The contamination identified includes trace detections of BaP equivalents and petroleum in the soil. Petroleum has also contaminated the ground water from the adjacent properties (the former Exxon-Mobile site and Koch fuel distribution site). The expected benefits include the development of senior housing in three buildings including 45 independent senior rentals (HUD 202 apartments), 66-unit assisted living facility and 90-bed nursing home with a projected increase of \$3,613 in net tax capacity and \$38.2M of private investment.</p> <p>The TBRA recommendation is \$101,400, the full amount of the original TBRA request. Funds are to be used for installation of additional vapor barriers. (Note, only costs incurred on or after October 31, 2007 for the installation of vapor barriers are eligible for grant funding.)</p>

**St. Paul PED – Total Tool (58 points)**

Location:	315 North Pierce Street and 320 Aldine Street and 1710 Concordia Avenue St. Paul, MN 55402
Council District:	14 – Kirstin Sersland Beach
Acres:	2.79 acres
Estimated Cleanup Cost:	\$1,217,400 for environmental investigation, soil remediation, air monitoring and capping. Upon review \$1,166,300 of the costs were determined to be eligible.
Funding request:	\$200,969 in TBRA funds for environmental investigation, soil remediation, air monitoring and capping. (including \$124,744 to be used as a matching grant to DEED) DEED request is \$711,250.
Private Investment:	\$1,532,000
Increase in Net Tax Capacity:	\$11,325
Jobs:	7 new FTE in phase I (8 more FTE in Phase II) plus 55 retained FTE
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$200,969 in TBRA funds to a \$711,250 DEED request for environmental investigation and soil remediation and capping of a 2.79-acre site formerly used for battery manufacturing, cable manufacturing, chemical manufacturing, wire and well screen manufacturing, and metal machining. The contamination identified includes lead in the soil. The expected benefits include the development of a 5,200 sq. ft. addition for warehousing and crane repair facilities and a 32,000 loading and unloading area with a projected increase of \$11,325 in net tax capacity and \$1.5M of private investment. A future planned expansion includes a 10,000 sq. ft. slab-on-grade warehouse/office/repair facility.</p> <p>The TBRA recommendation is \$200,900, the full amount of the TBRA request. Funds are to be used environmental investigation, soil remediation, air monitoring and capping. (Note, costs for bid preparation, project coordination and storm water swale installation are not eligible for grant funding.)</p>



## Projects Not Recommended for TBRA Funding

Following is a summary of each project not recommended for funding listed alphabetically.

### Hopkins – Town and Country Dodge (not ranked)

Location:	1710 Highway 7 Hopkins, MN 55343-6901
Council District:	3 – Mary Hill Smith
Acres:	6.45 acres
Estimated Cleanup Cost:	<p>\$650,000 for environmental investigation, asbestos abatement and soil remediation. Upon review \$135,000 of the costs are eligible for TBRA funding. (This is 1% of the total project costs.) Of these remaining costs, \$75,000 has already been incurred prior to the application date).</p> <p>The application was determined to be ineligible due to lack of sufficient need for funds. The TBRA recommendation is for no funding.</p>

**St. Paul PED – 360 Cedar Street (44 points)**

Location:	360 Cedar Steet/50 East 5 <sup>th</sup> Street St. Paul, MN 55101
Council District:	13 – Rick Aguilar
Acres:	1.26 acres (55,000 sf)
Estimated Cleanup Cost:	\$670,800 for asbestos abatement and air monitoring. Upon review, \$613,290 (lowest bid) was determined to be eligible.
Funding request:	\$670,800 in TBRA funds for asbestos abatement
Private Investment:	\$6,198,900
Increase in Net Tax Capacity:	\$233,000
Jobs:	55 FTE (all at or above a living wage)
Affordable Housing Units:	NA
Project Summary	<p>The applicant is requesting \$670,800 in TBRA funds for asbestos abatement of a 5-story, 87,000 sq. ft. office building. The expected benefits include the renovation of the existing building into an extended-stay hotel with 50 1-bedroom and 14 2-bedroom suites with a projected increase of \$233,000 in net tax capacity and \$6.1M of private investment.</p> <p>The TBRA recommendation is for no funding.</p>

Selected Environmental Terms:

ACM – Asbestos Containing Materials

BaP – Benzo(a)Pyrene

cis-1,2-DCE – cis-1,2 Dichloroethylene

DRO – Diesel Range Organics

GRO – Gasoline Range Organics

PAH – Polycyclic Aromatic Hydrocarbons

PCB - Polychlorinated biphenyl

PCE – Tetrachloroethene (PERC)

TCE - Trichloroethylene