**Committee Report** 

Community Development Committee For the Metropolitan Council meeting of June 27, 2012

Item: 2012-195

ne Metropolitan Council meeting of June

June 20, 2012

Subject: LCA Tax Base Revitalization Account (TBRA) Grant Recommendations

## Proposed Action:

Date Prepared:

That the Metropolitan Council award 13 Tax Base Revitalization Account (TBRA) grants as follows:

| Projects recommended for May 2012 TBRA funding cycle: | Recommended amount |
|---|--------------------|
| Contamination Site Investigation                      |                    |
| Hopkins – Lutheran Digest                             | \$26,200           |
| Minneapolis – Fountain Residential                    | \$24,000           |
| Newport – Knauff Salvage Yard                         | \$50,000           |
| Contamination Cleanup                                 |                    |
| Brooklyn Center EDA – Lifetime                        | \$525,000          |
| Crystal EDA – Cavanagh School                         | \$200,000          |
| Minneapolis – 1101 University                         | \$173,400          |
| Minneapolis – 1515 Central                            | \$285,900          |
| Minneapolis – Brunsfield Place                        | \$38,400           |
| Minneapolis – Dwell at Calhoun                        | \$226,500          |
| Minneapolis – Pillsbury Lofts (A Mill Artist Lofts)   | \$439,300          |
| Saint Paul – Starkey Building                         | \$171,800          |
| Saint Paul – Midway Corner                            | \$210,400          |
| Scott County CDA (Elko New Market) – Senior           |                    |
| Housing II  | \$4,100            |
| TOTAL   | \$2,375,000        |

## Summary of Committee Discussion / Questions:

Committee members asked questions about how the scores for affordable housing fit into the TBRA application review process. They asked staff to report back with additional information on the scoring for criteria for all Livable Communities Act grant programs.

The motion to approve the proposed action passed unanimously.

Community Development Committee

Meeting date: June 18, 2012

## For the Council Meeting of June 27, 2012

| ADVISORY INFORMATION      |   |
|---------------------------|---|
| Date:                     | June 13, 2012   |
| Subject:                  | LCA Tax Base Revitalization Account (TBRA) Grant      |
|                           | Recommendations                                       |
| District(s), Member(s):   | All   |
| Policy/Legal Reference:   | Livable Communities Act, Minnesota Statutes §473.25   |
| Staff Prepared/Presented: | Marcus Martin, Senior Planner, 651-602-1054           |
| -                         | Paul Burns, Manager, 651-602-1106                     |
| Division/Department:      | Housing and Livable Communities/Community Development |

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## Background

The TBRA is one of three active accounts established by the Livable Communities Act (Minnesota Statutes §473.25). The TBRA awards grants for the cleanup and redevelopment of contaminated land and buildings. The funding recommendations proposed are evaluated based on criteria adopted annually by the Metropolitan Council as part of the Livable Communities Fund Distribution Plan (see <a href="http://councilmeetings.metc.state.mn.us/council\_meetings/2012/0328/0328\_2012\_91.p">http://councilmeetings.metc.state.mn.us/council\_meetings/2012/0328/0328\_2012\_91.p</a> df). Funding totaling over \$90M has been awarded since the start of the grant program in 1996.

# Rationale

Contamination cleanup grants are awarded based on the consistency of the recommended proposals with the Metropolitan Livable Communities Act and the Council's development goals indicated in the *2030 Regional Development Framework*. Each of the recommended proposals received in the Spring funding cycle implements Council policy by working with local communities to accommodate growth in a flexible, connected, and efficient manner. All of the recommended projects are in accordance with guidelines established in the Livable Communities Fund Distribution Plan adopted in April.

## Funding

The 2012 Livable Communities Fund Distribution Plan approved \$5M for TBRA awards including up to \$500,000 for the contamination investigation category. The plan approved two main funding cycles for both cleanup and investigation grants with two additional funding cycles for investigation grants only. Based on this schedule, half of the funds are reserved for the first two cycles and half for the later two cycles. This is the first TBRA application cycle for 2012.

The Livable Communities Act legislation provides limits on the amount of funding that can go to cities of the first class (Minneapolis and St. Paul) when competition for the funds exceeds requests. The TBRA received just over \$4.2M in requests from 10 communities on May 1. Funding was recommended based on the eligible request amount for the projects that best met the TBRA criteria adopted in the Livable Communities Fund Distribution Plan.

The Livable Communities Act requires that no more than three-quarters of the TBRA funding (\$1,781,250) be awarded to cities of the first class (Minneapolis and Saint Paul) and no more than half of the funding (\$1,187,500) be awarded to a single city if the eligible requests for funding exceed the amount available.

Because the cumulative total request for projects from Minneapolis (\$2,155,305) accounted for 181% of the funding that could be awarded to a single city, the grant requests from lower ranking projects in Minneapolis below the 50% limit are not recommended for funding or are only partially recommended for funding.

## Known Support / Opposition

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

# Spring 2012 Funding Process

# Background

The following table shows the history of TBRA funding. The first column shows the expected accomplishments from the start of the TBRA program in 1996 through the November 2011 TBRA funding cycle. The second column shows what the accomplishments will be for the May 2012 TBRA grant cycle if this recommendation is approved. (Expected private investment, tax base increase, acres cleaned and jobs are listed for contamination cleanup applications only.) The last column combines both previous TBRA accomplishments and proposed May 2012 TBRA accomplishments.

Table 1: History of TBRA Funding

|                       | 1996- Nov       | May 2012       | Total 1996- May |
|-----------------------|-----------------|----------------|-----------------|
|                       | 2011            | Recommendation | 2012            |
| # Communities Funded  | 41              | 7              | 43*             |
| # Grants              | 324             | 13             | 337             |
| TBRA Awards           | \$90,978,958    | \$2,375,000    | \$93,353,958    |
| Expected Private      |                 |                |                 |
| Investment            | \$5,365,227,076 | \$200,061,682  | \$5,565,288,758 |
| Anticipated Tax Base  |                 |                |                 |
| Increase              | \$88,609,613    | \$1,248,990    | \$89,858,063    |
| Acres cleaned         | 2,002           | 39             | 2,041           |
| Jobs (new & retained) | 36,467          | 706            | 37,173          |

\* Represents the number of LCA-participant communities that have received TBRA funding. With the exception of two communities (Newport, Crystal), the applicants currently recommended for funding are located in communities that have previously been awarded TBRA funding.

# May 2012 Application Summary

The Council issued a notice in February that grant funds were available in May. An applicant workshop was held with the Department of Employment and Economic Development (DEED), Hennepin County and Ramsey County in March. The TBRA funding available is \$2,375,000 for the May 2012 cycle. The funds are from a portion of the Metropolitan Council's tax levy. Twenty-one applications were received this May requesting a total of \$4,219,657 in grant funding. The funds available could fund 56% of the total amount requested. However, individual applicants may apply to more than one of the grantors cited above for a single project. Regardless of the amount requested, proposed projects must meet all of the eligibility criteria in order to be considered for funding.

# **Eligibility and Review Process**

The applications were evaluated based on criteria set in the Livable Communities Fund Distribution Plan adopted by the Metropolitan Council in April. The criteria include the projected increase in tax base, increase in jobs, anticipated wage levels, the amount of environmental risk and threats to health and corresponding improvement upon completion, market demand, how the project helps implement Framework 2030 policies and support regional systems (e.g., accommodating growth through increased redevelopment density, providing housing choices, multimodal transportation, support for regional parks and trails and efficient storm water management), partnerships 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. Contamination cleanup projects have a total of 150 points. Cleanup site investigation projects have a total of 60 points. The point assignments were reviewed and determined by the TBRA coordinator and management. Table 3 (on page four) lists applications recommended for funding in descending rank order based on the points assigned.

Council staff from Environmental Services, Transportation, Regional Parks, and Local Planning Assistance reviewed the applications and found the projects mostly consistent with Council plans and policies. Some of the projects, as described in the TBRA application, may require comprehensive plan amendments.

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 applicant city staff and/or the technical consultants who helped prepare the application. Project budgets were reviewed to determine if all of the requested expenses are eligible and reasonable for TBRA grants. In this funding cycle, some of the requested funds were determined ineligible, so in some cases the eligible amount is less than the originally requested amount. The reductions are reflected in the total recommended grant amounts for each applicant, where applicable.

## **Demonstrated Need for TBRA Funding**

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.

For requests for cleanup assistance, 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 cleanup costs are one percent or less than the total development costs, it is expected that the cleanup cost can be reasonably absorbed in the development costs without Council assistance. The eligible cleanup costs for all of the applicants except one (Lyndale Gardens, Richfield) in the May 2012 round were over one percent of the project costs and were thus considered a significant barrier to development.

The second measure considered is the amount of funding available from other public and private sources to conduct the environmental work. Subsequently, a determination is made if the project, as proposed, will proceed without ("but for") Council funding. All the cleanup site investigation and contamination cleanup funding requests eligible per the first measure of demonstrated need for the May 2012 funding cycle met the "but for" criteria. (Note, two previous grantee projects – Dunwoody Flats, Minneapolis and Senior Housing, Elko New Market via Scott County CDA – requested and received approval to seek funding for cleanup costs incurred prior to the expected date of award.)

## **Partner Funding**

Other sources of public funding to investigate and clean up contaminated sites are available in addition to TBRA funding. The Council has the discretion to make up for shortfalls from other funding partners using Council evaluation criteria and limiting awards to TBRA-eligible 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.

The following table shows which applications made requests to the Metropolitan Council and other funding partners providing environmental investigation and cleanup funding.

Table 2: TBRA Funding Requests by Project and Grantor May 2012:

| Applicant Project                                   | Metropolitan<br>Council | DEED | Hennepin<br>County | Ramsey<br>County |
|---|-------------------------|------|--------------------|------------------|
| Brooklyn Center EDA – Lifetime                      | •                       | •    | •                  |                  |
| Crystal EDA - Cavanagh School                       | •                       |      |                    |                  |
| Hopkins - Lutheran Digest                           | •                       |      |                    |                  |
| Jordan - 410 Broadway                               | •                       | •    |                    |                  |
| Minneapolis - 1101 University                       | •                       | •    | •                  |                  |
| Minneapolis - 1515 Central                          | •                       | •    | •                  |                  |
| Minneapolis - Brunsfield Place                      | •                       | •    | •                  |                  |
| Minneapolis - Dunwoody Apartments                   | •                       |      |                    |                  |
| Minneapolis - Dwell at Calhoun                      | •                       | •    | •                  |                  |
| Minneapolis - Fountain Residential                  | •                       |      | •                  |                  |
| Minneapolis - Jackson Flats                         | •                       | •    |                    |                  |
| Minneapolis - Pillsbury Lofts (A Mill Artist Lofts) | •                       | •    | •                  |                  |
| Minneapolis - The GAV                               | •                       | •    |                    |                  |
| Newport - Knauff Salvage Yard                       | •                       | •    |                    |                  |
| Richfield - Lyndale Gardens                         | •                       | •    |                    |                  |
| Saint Paul - Midway Corner                          | •                       |      |                    |                  |
| Saint Paul - Rayette Lofts                          | •                       |      |                    |                  |
| Saint Paul - Starkey Building                       | •                       | •    |                    |                  |
| Saint Paul - Youth Housing                          | •                       | •    |                    | •                |
| Scott County CDA (Elko New Market) - Senior         |                         |      |                    |                  |
| Housing II  |                         | -    |                    |                  |
| South Saint Paul HRA - 100 Bridgepoint              | •                       | •    |                    |                  |

Applications are still under review by the funding partners. Grant awards from DEED and Hennepin County are expected to be made at the end of June. Grant awards from Ramsey County are expected in July.

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. TBRA eligible costs have already taken into account funding expected from other sources.

# **Project Ranking**

Projects are listed by evaluation point totals in descending order in Table 3 below. Thirteen projects are recommended for funding. More detailed information for each project related to the use of the funds and the expected project results is provided starting on page seven of this memo.

# Table 3Tax Base Revitalization AccountMay 2012 Ranking and Funding Recommendations

|        | May 2012 Ranking and Funding Recommendations                 |           |           |                |             |
|--------|--|-----------|-----------|----------------|-------------|
| Rank   | City - Project Name  | Score     | TBRA      | Total Eligible | Recommended |
| Conton | ningtion Cleanup Crant Apr                                   | lication  | Request   | Costs          | Funding*    |
| Contan | nination Cleanup Grant App                                   | Discation | S         |                |             |
| 1      | Minneapolis– Pillsbury<br>Lofts                              | 91        | \$439,308 | \$1,636,347    | \$439,300   |
| 2-tie  | Minneapolis – Brunsfield<br>Place                            | 88        | \$38,465  | \$117,536      | \$38,400    |
| 2-tie  | Minneapolis – 1515<br>Central                                | 88        | \$285,932 | \$1,016,770    | \$285,900   |
| 4-tie  | Scott County CDA (Elko<br>New Market) – Senior<br>Housing II | 84        | \$4,110   | \$11,000       | \$4,100     |
| 4-tie  | Brooklyn Center EDA –<br>Lifetime                            | 84        | \$525,000 | \$2,636,000    | \$525,000   |
| 6      | Saint Paul – Starkey<br>Building                             | 83        | \$171,840 | \$390,550      | \$171,800   |
| 7      | Minneapolis – 1101<br>University                             | 82        | \$173,740 | \$559,330      | \$173,400   |
| 8      | Minneapolis – Dwell at<br>Calhoun                            | 81        | \$557,835 | \$1,877,100    | \$226,500   |
| 9-tie  | Minneapolis – Jackson<br>Flats                               | 78        | \$27,560  | \$199,000      | \$0         |
| 9-tie  | Minneapolis – The GAV  | 78        | \$53,775  | \$309,385      | \$0         |
| 11     | Minneapolis –<br>Dunwoody Apartments<br>II                   | 76        | \$550,000 | \$1,088,800    | \$O         |
| 12-tie | Crystal EDA – Cavanagh<br>School                             | 70        | \$220,000 | \$200,000      | \$200,000   |
| 12-tie | Saint Paul – Midway<br>Corner                                | 70        | \$258,928 | \$235,508      | \$210,400   |
| 14     | Saint Paul – Rayette<br>Lofts II                             | 67        | \$575,000 | \$933,621      | \$0         |
| 15     | Saint Paul – Youth<br>Housing                                | 63        | \$59,265  | \$506,940      | \$0         |
| 16     | Jordan – 410 Broadway  | 60        | \$21,723  | \$107,100      | \$0         |
| 17     | South Saint Paul HRA –<br>100 Bridgepoint **                 | 48        | \$95,000  | \$95,000       | \$O         |
| 18     | Richfield – Lyndale<br>Gardens ***                           | NA        | NA        | \$0            | \$0         |

| Cleanu | p Site Investigation Grant            | Applicat | ions     |                |             |
|--------|---------------------------------------|----------|----------|----------------|-------------|
| Rank   | City - Project Name                   | Score    | TBRA     | Total Eligible | Recommended |
|        |                                       |          | Request  | Costs^         | Funding*    |
|        | Hopkins – Lutheran<br>Digest          |          | \$26,250 | \$26,250       | \$26,200    |
|        | Minneapolis – Fountain<br>Residential |          | \$24,000 | \$24,000       | \$24,000    |
|        | Newport – Knauff<br>Salvage Yard      |          | \$50,000 | \$50,000       | \$50,000    |
|        | TOTAL Recommended                     |          |          |                | \$2,375,000 |
|        | Balance                               |          |          |                | \$0         |

(Shading indicates applicants <u>not</u> recommended for funding)

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

\*\* Applicant did not meet required minimum score.

\*\*\* Applicant did not meet demonstrated need requirements.

<sup>^</sup> Eligible grant costs listed for investigations exclude 25% matching fund requirement

# **Additional Review Considerations**

Additional funding distribution constraints are listed in Table 4 below.

The Livable Communities Act legislation provides limits on the amount of funding that can go to cities of the first class (Minneapolis and St. Paul) when competition for the funds exceeds requests. The TBRA received just over \$4.2M in requests from 10 communities on May 1. The amount of funding available to be awarded in this funding cycle is \$2,375,000

The Livable Communities Act requires that no more than three-quarters of the TBRA funding (\$1,781,250) be awarded to cities of the first class (Minneapolis and Saint Paul) and no more than half of the funding (\$1,187,500) be awarded to a single city if the eligible requests for funding exceed the amount available.

Because the cumulative total request for projects from Minneapolis (\$2,155,305) accounted for 181% of the funding that could be awarded to a single city, the grant requests from lower ranking projects in Minneapolis below the 50% limit are not recommended for funding or are only partially recommended for funding.

# Table 4Tax Base Revitalization AccountLivable Communities Funding Recommendation May 2012

| Communities   | Recommendation | Percentage of Recommended |
|---|----------------|---------------------------|
|   |                | Funding                   |
| Suburban  | \$805,300      | 34%                       |
| Cities of the first class<br>(Minneapolis and St. Paul) | \$1,569,700    | 72%                       |
| Total   | \$2,375,000    | 100% of total available   |

| City with the largest | \$1,187,500 | 50% of total amount available |
|-----------------------|-------------|-------------------------------|
| cumulative funding    |             |                               |
| recommendation:       |             |                               |
| Minneapolis           |             |                               |

# **Projects Not Recommended for TBRA Funding**

**Minneapolis, Jackson Flats (78 points)** – The applicant is requesting \$27,560 in TBRA funding and \$159,000 from DEED for soil remediation and soil vapor mitigation on a vacant 0.9-acre former residential site with contaminated fill soils. (A prior TBRA investigation grant in the amount of \$28,000 was awarded in 2011.) Due to the low evaluation score and the maximum cumulative funding amount that may be awarded to a single city, the proposed project was not considered a high enough priority for funding. The TBRA recommendation is for no funding.

**Minneapolis, The GAV (78 points)** – The applicant is requesting \$53,775 in TBRA funding and \$302,250 from DEED for asbestos abatement, soil remediation and soil vapor mitigation on a 0.3-acre commercial site with a vacant storage building formerly used as a gas station and auto repair business. Due to the low evaluation score and the maximum cumulative funding amount that may be awarded to a single city, the proposed project was not considered a high enough priority for funding. The TBRA recommendation is for no funding.

**Minneapolis, Dunwoody Apartments II (76 points)** – The applicant is requesting \$550,000 in additional TBRA funding for asbestos and lead-based paint abatements on a 1.7-acre institutional site with a vacant building that was the site of Abbott Hospital and later a senior housing development. (A prior TBRA cleanup grant in the amount of \$161,600 was awarded in 2008. Hennepin County also awarded \$494,400 in 2008.) Due to the low evaluation score and the maximum cumulative funding amount that may be awarded to a single city, the proposed project was not considered a high enough priority for funding. The TBRA recommendation is for no funding.

**Saint Paul, Rayette Lofts II (<del>78</del> 67 points)** – The applicant is requesting \$575,000 in additional TBRA funding for asbestos and lead-based paint abatement design specifications and asbestos and lead-based paint abatements of a seven-story building on a 0.52-acre commercial site formerly used as a warehouse for a cosmetics and hairspray company and currently used as a parking garage. (A prior grant in the amount of \$324,800 was awarded in 2011.) Due to the low evaluation score, the proposed

project was not considered a high enough priority for funding. The TBRA recommendation is for no additional funding.

**Saint Paul, Youth Housing (63 points)** – The applicant is requesting \$59,265 in TBRA funding, \$297,900 from DEED and \$25,818 from Ramsey County for a hazardous materials survey, soil vapor sampling, asbestos abatement, lead-based paint abatement and soil remediation on a 0.9-acre commercial site with an existing office building. Due to the low evaluation score, the proposed project was not considered a high enough priority for funding. The TBRA recommendation is for no funding.

**Jordan, 410 Broadway (60 points)** – The applicant is requesting \$21,723 in TBRA funding and \$125,325 from DEED for soil remediation and soil vapor mitigation on a 1.3-acre residential and commercial site that includes an existing residence and a former gas station. Due to the low evaluation score, the proposed project was not considered a high enough priority for funding. The TBRA recommendation is for no funding.

# **Projects Not Eligible for TBRA Funding**

Upon review, the following projects are not eligible for funding:

**Richfield**, **Lyndale Gardens (not scored)** – The project did not demonstrate sufficient need for TBRA funding. Total cleanup costs for projects using TBRA grants must be over one percent of the total development costs.

**South Saint Paul HRA, 100 Bridgepoint (48 points)** –The proposal did not score the minimum number of points required (40% of the total points available) to be eligible for TBRA funding.

# **Project Details**

# **Projects Recommended for TBRA Funding**

Following is a summary of each project recommended for funding, listed alphabetically by applicant and grant type. The grant-funded activities for each of the projects are expected to be completed within the grant term. At a minimum, each redevelopment project facilitated by the grant must commence construction within the grant term (i.e., 3 years for cleanup grants). It is possible that not all of the total estimated cleanup costs submitted in an application are eligible for reimbursement due to the responsibility by the individual or organization that caused the pollution, the type of contamination, the date the costs were incurred, costs that are not part of an RAP approved by the MPCA or Minnesota Department of Agriculture (when applicable), ineligibility according to our grant administration guidelines or insufficient documentation of the proposed costs. For evaluation purposes, private investment is limited to redevelopment costs excluding land value or acquisition costs. Increases in the annual net tax capacity were calculated using a comparison of the net tax capacity assessed in 2012 with the future estimated net tax capacity for improvements that will be completed within a three-year grant term. In some instances the estimated number of jobs created or retained, as listed in an application, were reduced due to lack of documented end-user commitments.

| Applicant   | Hopkins  | Туре: | Contamination<br>Investigation |
|---|--|-------|--------------------------------|
| Project Name:<br>Project Location:<br>Council District: | Lutheran Digest<br>31 - 9th Avenue South, Hopki<br>3 – Jennifer Munt | ins   |                                |

# **Project Description:**

The applicant is requesting \$26,250 in TBRA funding for phase I and phase II environmental site assessments, hazardous materials survey and asbestos emission control plan and development of a Response Action Plan (RAP) for a 0.6-acre commercial with a vacant office building. Potential contaminants of concern identified include asbestos in buried demolition debris below the existing building.

## Funding:

| Total Estimated Investigation | \$35,000  |
|-------------------------------|---|
| Cost                          |   |
| Amount Requested              | \$26,250  |
| Amount Recommended            | \$26,200  |
| Use of Funds                  | Phase I and phase II environmental site           |
|                               | assessments, hazardous materials survey and       |
|                               | asbestos emission control plan and development of |
|                               | a Response Action Plan (RAP)                      |

## **Deliverables:**

Potential benefits include the development of approximately 161 market rate and affordable rental apartments and ground level retail/restaurant space. The project site is expected be combined with an adjacent parcel (the former Park Nicollet clinic).

| Increase in annual net tax capacity | \$67,970 |
|-------------------------------------|----------|
| Jobs                                | 5 FTE    |
| Affordable housing                  | TBD      |

| Task  | Start Date | End Date                  |
|---|------------|---------------------------|
| Completion of phase I and phase II environmental<br>site assessments, hazardous materials survey and<br>asbestos emission control plan and development<br>of a Response Action Plan (RAP) for approval by<br>MPCA |            | On or before<br>6/30/2013 |
| [Projects using TBRA funding for environmental<br>investigation must submit a Phase II Investigation<br>Work Plan to the MPCA for review prior to<br>conducting the Phase II Environmental Site<br>Assessment.]   |            |                           |

| Applicant         | Minneapolis                  | Туре: | Contamination<br>Investigation |
|-------------------|------------------------------|-------|--------------------------------|
| Project Name:     | Fountain Residential         |       |                                |
| Project Location: | 2635 - 4th Street SE, Minnea | polis |                                |
| Council District: | 8 – Adam Duininck            |       |                                |

# **Project Description:**

The applicant is requesting \$24,000 in TBRA funding for phase I and phase II environmental site assessments, hazardous materials survey and development of a Response Action Plan (RAP) on a 1.7-acre commercial site with two office/warehouse buildings used by commercial and light industrial businesses. Potential contaminants of concern identified include lead-based paint and asbestos within the existing buildings, petroleum impacts to soil and ground water, hazardous substance contamination in the ground water and related soil vapor impacts. (A duplicate request has been submitted to DEED.)

## Funding:

| Total Estimated Investigation<br>Cost | \$32,000                                    |
|---------------------------------------|---|
| Amount Requested                      | \$24,000                                    |
| Amount Recommended                    | \$24,000                                    |
| Use of Funds                          | Phase I and phase II environmental site     |
|                                       | assessments, hazardous materials survey and |
|                                       | development of a Response Action Plan (RAP) |

## **Deliverables:**

Potential benefits include the development of 215 apartments for students.

| Increase in annual net tax capacity | \$408,250 |
|-------------------------------------|-----------|
| Jobs                                | 11 FTE    |
| Affordable housing                  | NA        |

| Task  | Start Date | End Date                  |
|---|------------|---------------------------|
| Completion of phase I and phase II environmental<br>site assessments, hazardous materials survey and<br>development of a Response Action Plan (RAP) for<br>approval by MPCA                                     |            | On or before<br>6/30/2013 |
| [Projects using TBRA funding for environmental<br>investigation must submit a Phase II Investigation<br>Work Plan to the MPCA for review prior to<br>conducting the Phase II Environmental Site<br>Assessment.] |            |                           |

| Applicant         | Newport                    | Туре:         | Contamination<br>Investigation |
|-------------------|----------------------------|---------------|--------------------------------|
| Project Name:     | Knauff Salvage Yard        |               |                                |
| Project Location: | 478, 500 - 7th Avenue; 760 | - 6th Street, | 396 - 7th Avenue,              |
|                   | 310 - 7th Avenue, Newport  |               |                                |
| Council District: | 12 – Harry Melander        |               |                                |

## **Project Description:**

The applicant is requesting \$50,000 in TBRA funding for phase II environmental site assessment, a pre-demolition hazardous materials survey and development of a Response Action Plan (RAP) on a 5.6-acre site with a mix of industrial and residential uses including a former salvage yard. The potential contaminants of concern identified include metals (arsenic, barium, chromium, and lead), polynuclear aromatic hydrocarbons (PAHs), gasoline-range organics (GRO), and diesel-range organics (DRO). (A duplicate grant request has been submitted to DEED.)

## Funding:

| Total Estimated Investigation<br>Cost | \$74,845   |
|---------------------------------------|--|
| Amount Requested                      | \$50,000   |
| Amount Recommended                    | \$50,000   |
| Use of Funds                          | Phase II environmental site assessment, , a pre-<br>demolition hazardous materials survey and<br>development of a Response Action Plan (RAP).<br>(Costs for Phase I ESA incurred within 180 days of<br>grant award are eligible as matching costs only.) |

## **Deliverables:**

Potential benefits include the development of 60,000 square foot light industrial building.

| Increase in annual net tax capacity | \$142,111 |
|-------------------------------------|-----------|
| Jobs                                | 182 FTE   |
| Affordable housing                  | NA        |

| Task   | Start Date | End Date     |
|--|------------|--------------|
| Completion of phase II environmental site          |            | On or before |
| assessment, a pre-demolition hazardous materials   |            | 6/30/2013    |
| survey and development of a Response Action        |            |              |
| Plan (RAP) for approval by MPCA                    |            |              |
|  |            |              |
| [Projects using TBRA funding for environmental     |            |              |
| investigation must submit a Phase II Investigation |            |              |
| Work Plan to the MPCA for review prior to          |            |              |
| conducting the Phase II Environmental Site         |            |              |
| Assessment.]                                       |            |              |

| Applicant         | Brooklyn Center EDA          | Туре:       | Contamination<br>Cleanup |
|-------------------|------------------------------|-------------|--------------------------|
| Project Name:     | Lifetime                     |             |                          |
| Project Location: | 4001 Lakebreeze Avenue, Broo | okiyn Cente | r                        |
| Council District: | 2 – Lona Schreiber           |             |                          |

# **Project Description:**

The applicant is requesting \$525,000 in TBRA funding, \$740,000 from DEED and \$240,000 from Hennepin County for soil remediation (including buried asbestos), ground water monitoring and soil vapor mitigation on a vacant 8.4-acre commercial site that recently included an athletic club. The site is also near a former wood-treating manufacturing facility that has since been cleaned up and redeveloped. The contaminants of concern identified include polynuclear aromatic hydrocarbons (PAHs), diesel-range organics (DRO) and buried asbestos in fill soils as well as DRO in the ground water and volatile organic compounds (VOCs) found in soil vapor samples.

# Funding:

| Total Eligible Cleanup Cost | \$2,636,000   |
|-----------------------------|---|
| Amount Requested            | \$525,000   |
| Amount Recommended          | \$525,000   |
| Use of Funds                | Soil remediation (including buried asbestos), ground<br>water monitoring and soil vapor mitigation. (Costs<br>associated with development of Quality Assurance<br>Project Plan (QAPP) are not eligible for grant<br>reimbursement.) |

# **Deliverables:**

Expected benefits include the development of a 90,000 square foot multi-tenant office warehouse building.

| Increase in annual net tax capacity | \$156,540 |
|-------------------------------------|-----------|
| Jobs                                | 160 FTE   |
| Affordable housing                  | NA        |

| Task   | Start Date                | End Date                  |
|--|---------------------------|---------------------------|
| Complete soil remediation (including buried asbestos), ground water monitoring and soil vapor mitigation |                           | On or before<br>6/30/2015 |
| Begin development of commercial space  | On or before<br>6/30/2015 |                           |

| Applicant   | Crystal EDA  | Туре: | Contamination<br>Cleanup |
|---|--|-------|--------------------------|
| Project Name:<br>Project Location:<br>Council District: | 5400 Corvallis Avenue North, Crystal<br>6 – James Brimeyer |       |                          |
| eedhen Bistriet.  |  |       |                          |

# **Project Description:**

The applicant is requesting \$220,000 in TBRA funding and \$10,000 from City of Crystal EDA for asbestos abatement and removal of an underground fuel storage tank, respectively on a 4.4-acre institutional site with a school. (The school is scheduled to close this year.) The contaminants of concern identified include asbestos in the existing building prior to demolition.

## Funding:

| Total Eligible Cleanup Cost | \$200,000   |
|-----------------------------|---|
| Amount Requested            | \$220,000   |
| Amount Recommended          | \$200,000   |
| Use of Funds                | Asbestos abatement. (Costs associated with<br>underground fuel storage tank and PCB in window,<br>lead-based paint abatement and door caulking are<br>not eligible for grant reimbursement due to lack of<br>environmental data.) |

## **Deliverables:**

Expected benefits include the development of 130 affordable senior apartments.

| Increase in annual net tax capacity | \$83,235         |
|-------------------------------------|------------------|
| Jobs                                | NA               |
| Affordable housing                  | 130 rental units |

| Task                                   | Start Date                | End Date               |
|--|---------------------------|------------------------|
| Complete asbestos abatement            |                           | On or before 6/30/2015 |
| Begin development of residential units | On or before<br>6/30/2015 |                        |

| Applicant         | Minneapolis                   | Туре:     | Contamination<br>Cleanup |
|-------------------|-------------------------------|-----------|--------------------------|
| Project Name:     | 1101 University               |           |                          |
| Project Location: | 1101 University Avenue SE, Mi | nneapolis |                          |
| Council District: | 8 – Adam Duininck             |           |                          |

## **Project Description:**

The applicant is requesting \$173,430 in TBRA funding, \$299,240 from DEED and \$100,000 from Hennepin County and \$12,430 from the Petrofund for environmental investigation (including an asbestos and lead-based paint survey), asbestos abatement lead-based paint abatement and soil remediation on a 1-acre institutional site with an existing student center, chapel and parsonage. The contaminants of concern identified include polynuclear aromatic hydrocarbons (PAHs), metals (mercury) and diesel-range organics (DRO) primarily from a former leaking fuel oil tank and contamination in the soils used to backfill the site as well as volatile organic compounds in the ground water.

## Funding:

| Total Eligible Cleanup Cost | \$559,330  |
|-----------------------------|--|
| Amount Requested            | \$173,430  |
| Amount Recommended          | \$173,400  |
| Use of Funds                | Environmental investigation (including an asbestos<br>and lead-based paint survey), asbestos abatement<br>lead-based paint abatement (including limited<br>interior demolition costs up to \$6,000 to access<br>contamination) and soil remediation. (Costs<br>associated with removal of regulated waste are not<br>eligible for grant reimbursement. Phase I ESA is not<br>eligible for reimbursement due to the date costs<br>were incurred.) |

# **Deliverables:**

Expected benefits include the development of 95 apartments (including 1 affordable unit).

| Increase in annual net tax capacity | \$399,250     |
|-------------------------------------|---------------|
| Jobs                                | 12 FTE        |
| Affordable housing                  | 1 rental unit |

| Task  | Start Date             | End Date                  |
|---|------------------------|---------------------------|
| Complete environmental investigation (including<br>an asbestos and lead-based paint survey),<br>asbestos abatement lead-based paint abatement<br>and soil remediation |                        | On or before<br>6/30/2015 |
| Begin development of residential units  | On or before 6/30/2015 |                           |

| Minneapolis                   | Туре:   | Contamination<br>Cleanup  |
|-------------------------------|---|---|
| 1515 Central                  |   |   |
| 1505,1515 and 1515 1/2 Centra | al Avenue N   | IE and 1600 Fillmore  |
| Street NE, Minneapolis        |   |   |
| 8 – Adam Duininck             |   |   |
|                               | 1515 Central<br>1505,1515 and 1515 ½ Centra<br>Street NE, Minneapolis | 1515 Central<br>1505,1515 and 1515 ½ Central Avenue N<br>Street NE, Minneapolis |

# **Project Description:**

The applicant is requesting \$285,932 in TBRA funding, \$300,981 from DEED and \$75,245 from Hennepin County for environmental investigation (including a hazardous materials survey), soil remediation (including berm remediation), disposal of pavement with asbestos-containing tar sealant and soil vapor mitigation on a 10-acre commercial and industrial site that included a lumber yard, a lumber planning mill, a limestone quarry, and variety of industrial activities including die-cast molding, paint-spraying, sandblasting, pallet manufacturing and warehousing uses. The site currently includes an armored car transportation service and recently included a greeting card distribution company. The contaminants identified are likely from contamination in the soils used to backfill the quarry, prior industrial uses, and leaking petroleum storage tanks located on the property. The contaminants of concern identified include ash, slag, debris, dieselrange organics (DRO), gasoline-range organics (GRO), polynuclear aromatic hydrocarbons (PAHs), volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs) in the soil. Asbestos was found in the tar sealant along a proposed drive lane south of the 1505 Central Avenue property. Volatile organic compounds (VOCs) were also found in soil vapor samples from the under the slab of the building at 1600 Fillmore Avenue exceeding industrial intrusion screening values (ISVs).

## **Funding:**

| Total Eligible Cleanup Cost | \$1,016,770  |
|-----------------------------|--|
| Amount Requested            | \$285,932  |
| Amount Recommended          | \$285,900  |
| Use of Funds                | Environmental investigation (including a hazardous materials survey), soil remediation (including berm remediation), disposal of pavement with asbestos-containing tar sealant and soil vapor mitigation. (Grant reimbursement for soil vapor mitigation costs are limited to the addition at 1600 Fillmore Avenue. Environmental investigation costs incurred prior to 11/3/11 are not eligible for grant reimbursement. Legal fees associated with an institutional control are not eligible for grant reimbursement.) |

## **Deliverables:**

Expected benefits include renovation of an existing building into 70,000 square feet of commercial space and construction of a 10,000 square foot addition to an adjacent existing commercial building.

| Increase in annual net tax capacity | \$44,873 |
|-------------------------------------|----------|
| Jobs                                | 315 FTE  |
| Affordable housing                  | NA       |

| Task  | Start Date                | End Date                  |
|---|---------------------------|---------------------------|
| Complete environmental investigation (including a<br>hazardous materials survey), soil remediation<br>(including berm remediation), disposal of<br>pavement with asbestos-containing tar sealant<br>and soil vapor mitigation |                           | On or before<br>6/30/2015 |
| Begin renovation of existing commercial space and development of commercial building addition.  | On or before<br>6/30/2015 |                           |

| Applicant   | Minneapolis   | Type:       | Contamination<br>Cleanup |
|---|---|-------------|--------------------------|
| Project Name:<br>Project Location:<br>Council District: | Brunsfield Place<br>915 North Washington Avenue<br>7 – Gary L. Cunningham | e, Minneapo | olis                     |

## **Project Description:**

The applicant is requesting \$38,465 in TBRA funding, \$309,375 from DEED and \$27,465 from Hennepin County for development of a Response Action Plan (RAP) and a hazardous materials survey, asbestos abatement, soil remediation, soil vapor mitigation and demolition of an existing building on a 0.6-acre commercial site that included a gas station and an auto repair business. The contaminants of concern identified include diesel-range organics (DRO), volatile organic compounds (VOCs) in the soil, DRO and gasoline-range organics (GRO) and VOCs in the ground water and related soil vapor impacts. Asbestos was also found in the existing commercial building.

## Funding:

| Total Eligible Cleanup Cost | \$117,536   |
|-----------------------------|---|
| Amount Requested            | \$38,465  |
| Amount Recommended          | \$38,400  |
| Use of Funds                | Development of a Response Action Plan (RAP) and a<br>hazardous materials survey, asbestos abatement,<br>and soil remediation. (Costs associated with soil<br>vapor mitigation are not eligible for grant<br>reimbursement due to lack of environmental data.<br>Dewatering and demolition are not eligible for grant<br>reimbursement.) |

## **Deliverables:**

Expected benefits include the development of 50 market-rate apartments with underground parking.

| Increase in annual net tax capacity | \$142,470                             |
|-------------------------------------|---------------------------------------|
| Jobs                                | 6 FTE (Job estimate discounted due to |
|                                     | lack of information about commercial  |
|                                     | use)                                  |
| Affordable housing                  | NA                                    |

| Task   | Start Date   | End Date     |
|--|--------------|--------------|
| Complete development of a Response Action Plan   |              | On or before |
| (RAP) and a hazardous materials survey, asbestos |              | 6/30/2015    |
| abatement, and soil remediation.                 |              |              |
| Begin development of mixed use (commercial and   | On or before |              |
| residential) space.                              | 6/30/2015    |              |

| Applicant                          | Minneapolis                                    | Type:                     | Contamination<br>Cleanup |
|------------------------------------|--|---------------------------|--------------------------|
| Project Name:<br>Project Location: | Dwell at Calhoun<br>3129 Ewing Avenue South ar | nd part of 3 <sup>2</sup> | 140 Chowen Avenue        |
|                                    | South, Minneapolis                             |                           |                          |
| Council District:                  | 6 – James Brimeyer                             |                           |                          |

## **Project Description:**

The applicant is requesting \$557,835 in TBRA funding, \$557,835 from DEED and \$278,917 from Hennepin County for environmental investigation, soil remediation (including disposal of buried concrete with asbestos) and treatment of contaminated ground water on an undeveloped 2.7-acre site that was used for recreation and as open space. The area was likely impacted by adjacent leaking fuel storage tanks and contaminated fill soils. The contaminants of concern identified include polynuclear aromatic hydrocarbons (PAHs), metals (arsenic, lead, mercury) and diesel-range organics (DRO) and buried asbestos-containing pipe in the soil, as well as DRO in the ground water.

## Funding:

| Total Eligible Cleanup Cost | \$1,877,100                                      |
|-----------------------------|--|
| Amount Requested            | \$557,835  |
| Amount Recommended          | \$226,500  |
| Use of Funds                | Environmental investigation, soil remediation    |
|                             | (including disposal of buried concrete with      |
|                             | asbestos). (Grant reimbursement for treatment of |
|                             | contaminated ground water is not eligible.)      |

## **Deliverables:**

Expected benefits include the development of 163 apartments (including 1 affordable unit).

| Increase in annual net tax capacity | \$216,416     |
|-------------------------------------|---------------|
| Jobs                                | 5 FTE         |
| Affordable housing                  | 1 rental unit |

| Task   | Start Date             | End Date                  |
|--|------------------------|---------------------------|
| Complete environmental investigation, soil<br>remediation (including disposal of buried concrete<br>with asbestos) |                        | On or before<br>6/30/2015 |
| Begin development of residential units   | On or before 6/30/2015 |                           |

| Applicant         | Minneapolis                           | Туре: | Contamination<br>Cleanup |
|-------------------|---------------------------------------|-------|--------------------------|
| Project Name:     | Pillsbury Lofts (A Mill Artist Lofts) |       |                          |
| Project Location: | 301 Main Street SE, Minneapolis       |       |                          |
| Council District: | 8 – Adam Duininck                     |       |                          |

# **Project Description:**

The applicant is requesting \$439,308 in TBRA funding, \$214,817 from DEED and \$46,437 from Hennepin County for asbestos abatement, lead-based paint abatement, soil remediation and soil vapor mitigation on a 3.7-acre industrial site formerly used for flour milling and packaging and grain storage. The contaminants of concern identified include asbestos and lead-based paint within the existing buildings, diesel-range organics (DRO), polynuclear aromatic hydrocarbons (PAHs) and metals (chromium, arsenic) in the soil as well chlorinated volatile organic compounds (VOCs) particularly trichloroethylene (TCE) in the groundwater originating from a former metal plating business nearby and related soil vapor impacts. (TBRA funding previously awarded for the project includes \$47,300 for environmental investigation in the August 2011 funding cycle.)

# **Funding:**

| Total Eligible Cleanup Cost | \$1,636,347  |
|-----------------------------|--|
| Amount Requested            | \$439,308  |
| Amount Recommended          | \$439,300  |
| Use of Funds                | Asbestos abatement, lead-based paint abatement, soil remediation and soil vapor mitigation |

## **Deliverables:**

Expected benefits include the renovation of the existing buildings into 252 affordable live-work apartments.

| Increase in annual net tax capacity | \$152,110          |
|-------------------------------------|--------------------|
| Jobs                                | 104 FTE            |
| Affordable housing                  | 252 rental unit(s) |

| Task  | Start Date             | End Date                  |
|---|------------------------|---------------------------|
| Complete asbestos abatement, lead-based paint<br>abatement, soil remediation and soil vapor<br>mitigation |                        | On or before<br>6/30/2015 |
| Begin development of residential units  | On or before 6/30/2015 |                           |

| Applicant                          | Saint Paul   | Туре: | Contamination<br>Cleanup |
|------------------------------------|--|-------|--------------------------|
| Project Name:<br>Project Location: | Starkey Building<br>222 Starkey Street, Saint Paul |       |                          |
| Council District:                  | 13 – Richard Kramer                                |       |                          |

## **Project Description:**

The applicant is requesting \$171,840 in TBRA funding and \$171,840 from DEED for removal of stained concrete, soil remediation, and soil vapor mitigation on a 1.4-acre industrial site formerly used as an elevator and feed mill and more recently used as a cleaning solution manufacturer. Contaminants of concern include volatile organic compounds (VOCs) in the soil and ground water as well as related soil vapors.

## Funding:

| Total Eligible Cleanup Cost | \$390,500  |
|-----------------------------|--|
| Amount Requested            | \$171,840  |
| Amount Recommended          | \$171,800  |
| Use of Funds                | Removal of stained concrete, soil remediation, and |
|                             | soil vapor mitigation                              |

## **Deliverables:**

Expected benefits include the development of a 15,500 square foot warehouse with 5,500 square feet of office space.

| Increase in annual net tax capacity | \$2,068 |
|-------------------------------------|---------|
| Jobs                                | 32 FTE  |
| Affordable housing                  | NA      |

| Task   | Start Date | End Date     |
|--|------------|--------------|
| Complete removal of stained concrete, soil                 |            | On or before |
| remediation, and soil vapor mitigation                     |            | 6/30/2015    |
| Begin renovation of office and development of On or before |            |              |
| industrial space   | 6/30/2015  |              |

| Applicant         | Saint Paul                   | Туре:      | Contamination<br>Cleanup |
|-------------------|------------------------------|------------|--------------------------|
|                   |                              |            | Cleanup                  |
| Project Name:     | Midway Corner                |            |                          |
| Project Location: | 1389 University Avenue West, | Saint Paul |                          |
| Council District: | 14 – Jon Commers             |            |                          |

# **Project Description:**

The applicant is requesting \$258,928 in TBRA funding asbestos abatement and leadbased paint abatements on a 0.7-acre commercial site that formerly included an automotive showroom and auto repair businesses. The contaminants of concern identified include asbestos and lead-based paint in the existing building.

## Funding:

| Total Eligible Cleanup Cost | \$235,508   |
|-----------------------------|---|
| Amount Requested            | \$258,928   |
| Amount Recommended          | \$210,400   |
| Use of Funds                | Asbestos abatement and lead-based paint<br>abatements (including limited interior demolition<br>costs up to \$26,778 to access contamination).<br>(Grant reimbursement for management of regulated<br>materials and abatement overhead by developer are<br>not eligible.) |

## **Deliverables:**

Expected benefits include the renovation of the existing building into 13,667 square feet of commercial space with underground and surface parking.

| Increase in annual net tax capacity | \$40,028 |
|-------------------------------------|----------|
| Jobs                                | 43 FTE   |
| Affordable housing                  | NA       |

| Task                                       | Start Date   | End Date     |
|--|--------------|--------------|
| Complete asbestos abatement and lead-based |              | On or before |
| paint abatements                           |              | 6/30/2015    |
| Begin renovation of commercial space       | On or before |              |
|  | 6/30/2015    |              |

| Applicant         | Scott County CDA (Elko New<br>Market) | Type: | Contamination<br>Cleanup |
|-------------------|---------------------------------------|-------|--------------------------|
| Project Name:     | <i>,</i>                              |       |                          |
|                   | Senior Housing II                     |       |                          |
| Project Location: | 750 Main Street, Elko New Market      |       |                          |
| Council District: | 4 – Gary Van Eyll                     |       |                          |

## **Project Description:**

The applicant is requesting \$4,110 in additional TBRA funding, \$25,687 from DEED and \$4,453 from Scott County for additional RAP development and soil remediation of a 6.3-acre commercial and residential site that formerly included a dump. (Contamination cleanup funding previously awarded for the project includes \$53,000 from TBRA and \$295,004 from DEED for environmental investigation in fall 2010 funding cycle.)

## Funding:

| _                         |  |
|---------------------------|--|
| Total Eligible Additional | \$11,000   |
| Cleanup Cost              |  |
| Amount Requested          | \$4,110  |
| Amount Recommended        | \$4,100  |
| Use of Funds              | Additional RAP development and soil remediation        |
|                           | (Only costs incurred after April 19, 2012 are eligible |
|                           | for reimbursement.)                                    |

## **Deliverables:**

Expected benefits include the development of 49 senior apartments including 37 affordable units and approximately 4,000 square foot library with additional 4,000 square feet of meeting space.

| Increase in annual net tax capacity | \$12,000 (Payment in lieu of taxes) |
|-------------------------------------|-------------------------------------|
| Jobs                                | 4 FTE                               |
| Affordable housing                  | 37 rental unit(s)                   |

| Task  | Start Date   | End Date     |
|---|--------------|--------------|
| Complete additional RAP development and soil  |              | On or before |
| remediation                                   |              | 6/30/2015    |
| Complete development of residential units and | On or before |              |
| library                                       | 6/30/2015    |              |