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# Minnesota Brownfields: A Resource Guide



**November 2014**

**Prepared in partnership by:**

- Minnesota Department of Employment and Economic Development
- Minnesota Pollution Control Agency
- Minnesota Brownfields



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***Please note:*** This guide is not intended to be a complete discussion of the law or available information. Additional research or consultation with an attorney or other professional experienced in brownfield redevelopment is advised.

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## Introduction

### The Importance of Brownfield Redevelopment

The U.S. Environmental Protection Agency (EPA) defines a brownfield as “a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.” The EPA estimates that there are over 450,000 brownfield sites across the country. Many brownfields are located in otherwise desirable and accessible locations, but developers tend to be wary of these sites, which are subject to strict liability standards, and cleanup can be cost-prohibitive. As a result, these properties often remain abandoned or underutilized, with development occurring instead on pristine or undeveloped land (greenfields) outside the urban core.

Despite these challenges, communities that have undertaken brownfield cleanup and redevelopment have reaped significant rewards. A recent National Bureau of Economic Research study found, for example, that brownfield redevelopment results in a 4.9-32.2% increase in the value of nearby properties.<sup>1</sup> A U.S. Conference of Mayors survey of member cities in 2010 also revealed that:

- 50 cities reported actual tax revenue of \$309M generated since 1993 from the redevelopment of 654 brownfield sites.
- 58 cities estimated that they could generate between \$872M and \$1.3B in additional tax revenue if their brownfields were redeveloped.
- 54 cities recorded a combined creation of 161,880 jobs between 1993-2010 as a result of cleanup and redevelopment efforts at 2,118 brownfield sites.<sup>2</sup>

In addition to these tangible, lasting economic benefits, the redevelopment of brownfields can lead to a host of environmental and municipal planning advantages. An EPA study suggests that, compared to alternate greenfield development locations, redeveloped brownfields can reduce daily vehicle miles traveled, decrease storm water runoff, produce fewer pollutants, and accommodate more homes and businesses per square mile.<sup>3</sup>

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<sup>1</sup> National Bureau of Economic Research, “The Value of Brownfield Remediation” (Working paper), July 2014.

<sup>2</sup> U.S. Conference of Mayors, “A National Report on Brownfields Redevelopment (1993-2010),” November 2010.

<sup>3</sup> U.S. Environmental Protection Agency, “Air and Water Quality Impacts of Brownfields Redevelopment,” April 2011.

## Regulation of Brownfield Redevelopment in Minnesota

The state programs that offer technical assistance and liability assurance to parties voluntarily addressing contamination or potential contamination at brownfield sites include the Minnesota Pollution Control Agency (MPCA) Voluntary Investigation and Cleanup (VIC) Program, the MPCA Petroleum Brownfields Program, and the Minnesota Department of Agriculture (MDA) Voluntary Investigation and Cleanup (AgVIC) Program. In providing this assistance, the following principles apply:

- Contamination at a site must be remediated if it adversely affects public health or the environment.
- The cleanup plan (Response Action Plan or RAP) must result in the reduction or elimination of associated risk to public health or the environment consistent with the accepted risk-based standards.
- The cleanup goals stated in the RAP must take into account the current and future site use, as determined by local authorities and private land owners.

For additional information pertaining to the Risk-Based Site Evaluation (RBSE) procedure used by the MPCA to evaluate the risks caused by soil, ground water and soil gas contamination, consult the MPCA Website at: [www.pca.state.mn.us/cleanup/riskbasedoc.html](http://www.pca.state.mn.us/cleanup/riskbasedoc.html)

The Minnesota Department of Health (MDH) also has a role in evaluating public health issues related to brownfield sites and other uncontrolled toxic releases. If you are concerned about health risks posed by a brownfield site, contact the Minnesota Department of Health, Site Assessment and Consultation (SAC) Unit.

Minnesota Department of Health  
Site Assessment and Consultation Unit  
625 Robert Street North  
Saint Paul, MN 55164-0975

(651) 201-4897, (800) 657-3908  
[health.hazard@state.mn.us](mailto:health.hazard@state.mn.us)

## About this Guide

This resource guide assists Minnesota stakeholders in undertaking brownfield redevelopment by providing a concise overview of some potentially useful local, state, and federal assistance programs, their eligibility requirements, and contact information for learning more about each. This guide also serves as an important resource for anyone considering buying, selling or redeveloping a brownfield site in Minnesota.

This guide is not exhaustive—there are many other federal and state programs that are not specific to brownfields, but may be able to assist with the costs of cleaning up brownfields or redeveloping cleaned-up sites. The Minnesota Department of Employment and Economic Development (DEED), for example, offers programs that provide grants or loans for demolition, pre-development site preparation, construction of public infrastructure, and business and job retention. More information about these programs can be found at the DEED website ([mn.gov/deed](http://mn.gov/deed)).

The U.S. Department of Agriculture (USDA) offers several grant and loan opportunities for rural communities (with a population of less than 50,000), under which brownfield-related costs may be eligible. A complete list of USDA assistance programs in Minnesota can be found at [www.rurdev.usda.gov/supportdocuments/MN-ProgramsSummary.pdf](http://www.rurdev.usda.gov/supportdocuments/MN-ProgramsSummary.pdf). Readers of this guide are also urged to explore the websites of the U.S. Department of Housing and Urban Development ([www.hud.gov](http://www.hud.gov)), the U.S. Department of Commerce's Economic Development Administration ([www.eda.gov](http://www.eda.gov)), the U.S. Department of the Treasury's Community Development Financial Institutions Fund ([www.cdfifund.gov](http://www.cdfifund.gov)), and the U.S. Department of Transportation ([www.dot.gov](http://www.dot.gov)) for other potential opportunities.

## Guide to Acronyms

**ACCRA:** Agricultural Chemical Response and Reimbursement Account (MDA)

**DEED:** Minnesota Department of Employment and Economic Development

**EDA:** Economic Development Authority

**ERF:** Environmental Response Fund (Hennepin and Ramsey Counties)

**EPA:** United States Environmental Protection Agency

**HRA:** Housing and Redevelopment Authority

**KSU:** Kansas State University

**MDA:** Minnesota Department of Agriculture

**MDH:** Minnesota Department of Health

**MNTBAP:** MPCA Targeted Brownfield Assistance Program

**MPCA:** Minnesota Pollution Control Agency

**PRP:** Petroleum Remediation Program (MPCA)

**RAP:** Response Action Plan

**TAB:** Technical Assistance to Brownfields (KSU and Minnesota Brownfields)

**TBA:** Targeted Brownfields Assessment (EPA)

**TBRA:** Tax Base Revitalization Account (Metropolitan Council)

**TIF:** Tax Increment Financing

**VIC:** Voluntary Investigation and Cleanup

## Quick Reference Guide

### Loans

#### [Hennepin County Brownfields Cleanup Revolving Loan Fund](#)

Public entities, private for-profit and non-profit organizations located in Hennepin County are eligible for low-interest loans to assist in hazardous waste cleanup.

#### [Minnesota Cleanup Revolving Loan Fund](#)

This program provides low interest loans to public entities, private for-profit organizations and private non-profit organizations. Loan funds help pay for cleanup costs necessary to implement the RAP.

#### [Small Business Environmental Improvement Loan](#)

The program provides low-interest loans to small businesses to finance environmental projects such as capital equipment upgrades that meet or exceed environmental regulations, and costs associated with the investigation and cleanup of contaminated sites.

### Grants

#### [Contamination Cleanup Grant](#)

Grants provide cities, counties, port authorities, economic development authorities, and housing and redevelopment authorities with up to 75 percent of contaminant investigation and cleanup costs.

#### [Contamination Investigation and RAP Development Grant](#)

Grants provide cities, counties, port authorities, EDAs, and HRAs with up to 75 percent or maximum of \$50,000 for contaminant investigation and RAP development.

#### [Federal Brownfields Site Assessment Program](#)

States, tribes, local governments, redevelopment authorities, private non-profit organizations and others receive funding to inventory, characterize, assess, and conduct planning activities related to brownfield sites.

#### [Federal Brownfields Cleanup Program](#)

Grants provide funding for states, tribes, local governments, and redevelopment agencies to carry out cleanup activities at brownfield sites.

#### [Federal Brownfields Job Training Grants](#)

Grants provide funds to organizations that recruit, train and place local unemployed and under-employed residents.

## Grants

### [Federal Brownfields Cleanup Revolving Loan Program](#)

States, tribes, local governments, and redevelopment agencies receive grants to capitalize a revolving loan fund and to provide subgrants to carry out cleanup activities at brownfield sites.

### [Hennepin County Environmental Response Fund \(ERF\)](#)

ERF grants provide a variety of assessment and cleanup measures to Hennepin County businesses, non-profits, and municipalities for contaminated sites.

### [Ramsey County Environmental Response Fund](#)

Ramsey County and Ramsey County municipalities, public entities and for-profit and non-profit organizations may apply for these funds as gap financing in the redevelopment of contaminated property located in Ramsey County.

### [Tax Base Revitalization Account](#)

Cities, counties, and local development authorities in the 7-county metro area are eligible to apply for funds to be used for the investigation and cleanup of various contaminants at sites that support redevelopment.

## Reimbursement

### [Agricultural Chemical Response and Reimbursement Account \(ACRRA\)](#)

The ACRRA fund provides partial reimbursement to eligible applicants for investigation and cleanup costs incurred from releases of agricultural chemicals.

### [Drycleaner Fund](#)

Under the Drycleaner Fund, most drycleaning facilities that provided services to the general public may apply for reimbursement for their investigation and cleanup work.

### [Petroleum Tank Release Cleanup Fund – Petrofund](#)

Eligible applicants receive partial reimbursement for corrective action costs associated with releases from underground and above-ground petroleum storage tanks.

## Tax Assistance

### [Contamination Tax](#)

This tax tool provides for a reduction in property tax on contaminated property to as low as 12.5 percent of contamination value.

### [Tax Increment Financing \(TIF\)](#)

TIF uses property taxes generated by the increase in value created by cleanup efforts to pay down the cleanup costs or prepare and implement response plans.

## Technical Assistance

### [Federal-Lead Targeted Brownfields Assessment \(TBA\)](#)

A TBA is an environmental assessment of a brownfields site conducted by the EPA at no cost to the recipient.

### [MN Department of Health Site Assessment and Consultation \(SAC\) Unit](#)

The SAC Unit works to ensure that investigations and cleanups address public health concerns.

### [Technical Assistance to Brownfields Communities](#)

Kansas State University assists Minnesota communities in outreach and technical presentations.

### [MN Targeted Brownfields Assistance Program](#)

This program provides assistance to MN communities to return orphaned or publicly owned land back to beneficial use.

## Cleanup Oversight Programs

### [MN Department of Agriculture Voluntary Investigation and Cleanup \(AgVIC\) Program](#)

This program provides assistance to individuals or businesses seeking to investigate or cleanup releases of agricultural chemicals.

### [Petroleum Remediation Program](#)

Technical assistance is provided to facilitate the development, investigation and/or cleanup of petroleum contaminated property.

### [Voluntary Investigation and Cleanup \(VIC\) Program](#)

This program provides technical assistance to individuals or businesses for investigation or cleanup of contaminated property.



## Loans

### [Hennepin County Brownfields Cleanup Revolving Loan Fund](#)

Hennepin County administers this revolving loan fund program with funds made available through the EPA. Loans may be used for the cleanup of hazardous substances, hazardous substances co-mingled with petroleum, and petroleum only impacts.

#### **Who is eligible?**

Public entities (with the exclusion of state agencies), private for-profit organizations, non-profit organizations, and other interested parties located in Hennepin County are eligible for low-interest loans to assist in hazardous waste and petroleum contamination cleanup. The goal of this program is to stimulate reuse and redevelopment of contaminated sites.

#### **What activities are funded?**

- Environmental cleanup

#### **How much funding is available?**

- Up to \$1,450,000 for hazardous waste and/or petroleum contamination cleanups
- Applications are accepted throughout the year

#### **Contact information**

John Evans  
Supervisor  
Land and Water Unit  
Hennepin County Department of Environmental Services  
701 Fourth Avenue South, Suite 700  
Minneapolis, MN 55415-1842  
Phone: (612) 348-4046  
Email: [John.evans@hennepin.us](mailto:John.evans@hennepin.us)

## Loans

### Minnesota Cleanup Revolving Loan Fund

This loan fund provides low-interest loans to clean up sites contaminated by hazardous substances, pollutants, contaminants, and/or petroleum to facilitate in the conversion of contaminated property into a marketable asset. Created with funds granted by the EPA and administered by DEED, these loans are targeted towards economic development projects that express great need, exhibit long-term project viability, and demonstrate repayment capacity.

#### **Who is eligible?**

Public entities (with the exclusion of state agencies), private for-profit organizations, non-profit organizations, and other interested parties are eligible for low-interest loans. Additional requirements state the following:

- Applicant must own or demonstrate legal control of site
- Site must be enrolled in the appropriate MPCA voluntary cleanup program
- Site must possess an approved RAP for cleanup of contamination
- Applicant cannot have caused or worsened the contamination

#### **What activities are funded?**

- Environmental cleanup
- Cleanup-related site sampling and monitoring

#### **How much funding is available?**

- Up to 78% of project costs (may match Cleanup Grant)
- Applications are accepted throughout the year

#### **Contact information**

Meredith Udoibok

Director – Office of Brownfields and Redevelopment

Minnesota Department of Employment and Economic Development

Business and Community Development

1<sup>st</sup> National Bank Building

332 Minnesota Street, Suite E200

Saint Paul, MN 55101-1351

Phone: (651) 259-7449

Email: [meredith.udoibok@state.mn.us](mailto:meredith.udoibok@state.mn.us)

## Loans

### **Small Business Environmental Improvement Loan**

Administered by the MPCA, this program provides low-interest loans to small businesses to finance environmental projects, including capital equipment upgrades, that meet or exceed environmental regulations, and costs associated with the investigation and cleanup of contaminated sites.

#### **Who is eligible?**

Existing businesses with fewer than 50 full-time employees, after-tax profits of less than \$500,000 and a net worth of less than \$1,000,000 are eligible for financing. Projects must be pre-approved by the MPCA and businesses must demonstrate ability to repay the loan.

#### **What activities are funded?**

- Site investigation
- Environmental cleanup
- Capital equipment purchase to comply with or go beyond environmental regulation requirements

#### **How much funding is available?**

- \$1,000 to \$50,000 per project
- Interest rate is 4% or one-half the prime rate, whichever is greater at the time the loan is awarded
- Repayment term of seven years or less
- Collateral required
- Applications are accepted throughout the year

#### **Contact information**

Hien Le  
Small Business Environmental Assistance Program  
Minnesota Pollution Control Agency  
520 Lafayette Road  
Saint Paul, MN 55155  
Phone: (651) 757-2519; (800) 657-3938  
Email: [hien.le@state.mn.us](mailto:hien.le@state.mn.us)

## Grants

### **Contamination Cleanup Grant**

This program, administered by DEED, is designed to help communities pay for assessing and remediating contaminated sites for private or public redevelopment. Essential to this grant is the existence of a redevelopment plan supported by the community and an appropriate completion timeline.

#### **Who is eligible?**

Eligible applicants include cities, counties, port authorities, housing and redevelopment authorities and economic development authorities. Both publicly and privately owned sites with known soil or groundwater contamination qualify. Cleanup grant applicants must have an MPCA-approved RAP.

#### **What activities are funded?**

- Site investigation and cleanup costs necessary to implement the RAP
- RAP implementation

#### **How much funding is available?**

- Grants can pay for up to 75% of the costs of investigation, cleanup, and other costs necessary to implement the RAP
- Awards require a 25% local match
- 35% of funds are dedicated to projects outside the seven-county metropolitan area
- Applications accepted May 1 and November 1 of each year

#### **Contact information**

Meredith Udoibok

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Business and Community Development

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## Grants

### **Contamination Investigation and RAP Development Grant**

Administered by DEED, this program is designed to assist communities in contamination investigation and RAP development. Similar to the Contamination Cleanup Grant, the applicant must be able to demonstrate the existence of a community supported redevelopment plan with an appropriate completion timeline.

#### **Who is eligible?**

Cities, counties, port authorities, housing and redevelopment authorities and economic development authorities are eligible applicants. Both publicly and privately owned sites with known or suspected soil or groundwater contamination qualify.

#### **What activities are funded?**

- Site investigation (Phase I and Phase II)
- RAP development

#### **How much funding is available?**

- Grants can pay for up to 75% of the costs of Phase I, Phase II investigation and/or RAP preparation.
- Awards cannot exceed \$50,000, and require a 25% local match
- A maximum of \$500,000 per year is available for grants, 35% of funds are dedicated to projects outside the seven-county metropolitan area
- Applications accepted May 1 and November 1 of each year

#### **Contact information**

Meredith Udoibok

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## Grants

### **Federal Brownfields Site Assessment**

This program, administered by the EPA, pays for both property-specific environmental assessments and community-wide environmental assessments of brownfield sites. These grants seek to investigate eligible brownfields sites to promote the cleanup and redevelopment of underused property; however, the program can also be used for the assessment and investigation of parkland and other types of green space.

#### **Who is eligible?**

States, Indian tribes, local governments, quasi-governmental entities including redevelopment agencies, regional planning commissions, and other government organizations are eligible to receive funding.

#### **What activities are funded?**

- Inventorying brownfields
- Phase I and II environmental assessment
- Removal of some petroleum tanks
- Remediation planning and design
- Assessment grants cannot be used for demolition or environmental cleanup

#### **How much funding is available?**

- Site-specific and/or community-wide grants of up to \$200,000 in hazardous substances and up to \$200,000 in petroleum assessment funds
- For site-specific grants, applicants can request a waiver to increase the maximum award to \$350,000
- Alternatively, government coalitions of 3 or more applicants can apply for \$600,000 in assessment grant funding, provided each coalition member is an eligible and separate legal entity.
- Request for proposals solicited annually (refer to website)

#### **Contact information**

Michael Gifford or Gary Schafer  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Boulevard  
Mail Code: SB-7J  
Chicago, IL 60604-3507  
Phone: (312) 886-7257 (Michael); (312) 353-8827 (Gary)  
Email: [gifford.michael@epa.gov](mailto:gifford.michael@epa.gov); [schafer.gary@epa.gov](mailto:schafer.gary@epa.gov)  
Website: [www.epa.gov/brownfields](http://www.epa.gov/brownfields)

## Grants

### **Federal Brownfields Cleanup**

This grant program is administered through the EPA for the cleanup of specific brownfield sites. Funds may be used to address sites contaminated by petroleum and/or hazardous substances, pollutants, or contaminants (including hazardous substances comingled with petroleum).

#### **Who is eligible?**

States, Indian tribes, local governments, quasi-governmental entities such as redevelopment agencies and regional planning commissions, non-profit organizations and other government organizations are eligible to receive funding, provided the entity holds title to the property.

#### **What activities are funded?**

- Environmental cleanup
- Demolition (if integral to the cleanup), including hazardous material abatement, e.g. asbestos and lead-based paint
- Removal of abandoned containers and underground petroleum tanks
- Cleanup planning

#### **How much funding is available?**

- Grants provide up to \$200,000 per site for eligible cleanup activities
- Requires a 20% recipient match of money or in-kind expenses (may be waived in case of hardship)
- Request for proposals solicited annually (refer to website)

#### **Contact information**

Michael Gifford or Gary Schafer  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Boulevard  
Mail Code: SB-7J  
Chicago, IL 60604-3507  
Phone: (312) 886-7257 (Michael); (312) 353-8827 (Gary)  
Email: [gifford.michael@epa.gov](mailto:gifford.michael@epa.gov); [schafer.gary@epa.gov](mailto:schafer.gary@epa.gov)  
Website: [www.epa.gov/brownfields](http://www.epa.gov/brownfields)

## Grants

### **Federal Brownfields Job Training Grants**

This grant is administered through the EPA and provides funds to organizations that recruit, train and place local unemployed and under-employed residents with the skills needed to secure full-time employment in the environmental field, with a focus on solid and hazardous waste remediation, environmental health and safety, and wastewater-related training.

#### **Who is eligible?**

States, Indian tribes, local governments, redevelopment agencies, regional planning commissions, other quasi-governmental entities and non-profit organizations are eligible to receive funding.

#### **What activities are funded?**

- Recruitment and screening of potential job training participants
- Train participants in proper handling and removal of hazardous substances, including environmental sampling, analysis and site remediation
- Train participants in inventory, assessment and remediation of facilities at which hazardous substances, pollutants, contaminants or petroleum are located, transported or disposed
- Development and refinement of training curriculum
- Training materials and associated work gear
- Personnel costs for instructors to conduct training or costs for tasks associated with programmatic reporting requirements

#### **How much funding is available?**

- Grants provide up to \$200,000
- Request for proposals solicited annually (refer to website)

#### **Contact information**

Linda Morgan  
Brownfields Job Training Coordinator  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Boulevard  
Mail Code: SB-7J  
Chicago, IL 60604-3507  
Phone: (312) 886-4747  
Email: [morgan.linda@epa.gov](mailto:morgan.linda@epa.gov)  
Website: [www.epa.gov/brownfields](http://www.epa.gov/brownfields)



## Grants

### **Federal Brownfields Cleanup Revolving Loan Grants**

Administered through the EPA, Brownfields Revolving Loan Fund Grants provide funding to an eligible entity to capitalize a revolving loan fund that provides loans and subgrants to carry out cleanup activities at brownfields sites.

#### **Who is eligible?**

States, Indian tribes, local governments, quasi-governmental entities including redevelopment agencies and regional planning commissions, and other government organizations that are ready to carry out cleanup activities are eligible for funding.

#### **What activities are funded?**

- Environmental cleanup of sites contaminated by petroleum and/or hazardous substances, pollutants, or contaminants (including hazardous substances co-mingled with petroleum)
- Cleanup planning
- Fees associated with enrollment in a state cleanup program
- Demolition (if integral to the cleanup), including hazardous material abatement, e.g. asbestos and lead-based paint
- Removal of abandoned containers and underground petroleum tanks
- No assessment work, but limited site characterization

#### **How much funding is available?**

- Up to \$1,000,000 per eligible entity (single recipient or coalition of eligible entities)
- At least 50% must be used to capitalize a revolving loan fund, in order to provide no-interest or low interest loans for brownfields cleanups
- Up to 50% can be used for direct subgrants
- Requires a 20% recipient match of money or in-kind expenses
- Request for proposals solicited annually (refer to website)

#### **Contact information**

Michael Gifford or Gary Schafer  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Boulevard  
Mail Code: SB-7J  
Chicago, IL 60604-3507  
Phone: (312) 886-7257 (Michael); (312) 353-8827 (Gary)  
Email: [gifford.michael@epa.gov](mailto:gifford.michael@epa.gov); [schafer.gary@epa.gov](mailto:schafer.gary@epa.gov)  
Website: [www.epa.gov/brownfields](http://www.epa.gov/brownfields)

## Grants

### **Hennepin County Environmental Response Fund (ERF)**

ERF grants fund the assessment and cleanup of contaminated sites in Hennepin County where the conditions present a threat to human health or the environment, but where lack of funding and added environmental costs hinder improvements or redevelopment. Priority is placed on locations that establish affordable and moderately priced housing, promote economic development, and public infrastructure or green space improvement.

#### **Who is eligible?**

Eligible applicants for this program are municipalities, economic development agencies, housing and redevelopment authorities, non-profit organizations, and public and private companies.

#### **What activities are funded?**

- Environmental consulting fees
- Laboratory fees
- Site assessment
- RAP development
- Environmental cleanup
- Acquisition through purchase or condemnation (under rare circumstances if necessary to implement the RAP)
- Demolition (if underlying soil cleanup is required by the MPCA for protection of health and the environment)
- Asbestos and lead paint assessment and abatement and lead impacted soil remediation

#### **How much funding is available?**

- The County typically awards a total of between \$1,000,000 and \$2,000,000 per semi-annual grant round
- Matching funds or equivalent in-kind expenses are strongly encouraged
- Applications accepted May 1 and November 1 of each year

#### **Contact information**

John Evans  
Supervisor  
Land and Water Unit  
Hennepin County Department of Environmental Services  
701 Fourth Avenue South, Suite 700  
Minneapolis, MN 55415-1842  
Phone: (612) 348-4046  
Email: [John.evans@hennepin.us](mailto:John.evans@hennepin.us)

## Grants

### **Hennepin County Brownfield Gap Financing Program**

Managed by Minnesota Brownfields and funded through Hennepin County's Environmental Response Fund (ERF), the Brownfield Gap Financing Program provides small grants to nonprofit developers to close gaps in project costs for environmental assessment and cleanup of property in Hennepin County.

#### **Who is eligible?**

Eligible applicants for this program must be registered as a non-profit within the State of Minnesota, a community group, a government supported organization, or a government entity. Applicants must own the property, have a purchase or lease agreement in place, or have a letter of intent to purchase by the applicant from the property owner.

#### **What activities are funded?**

- Identification and, in some cases, remediation of unexpected environmental issues (such as unanticipated Phase I and II investigations or small-scale cleanup)
- Preparation for a larger funding request from the County's ERF

#### **How much funding is available?**

- Typical Brownfield Gap Financing Program grants are less than \$10,000, but may be up to \$15,000.
- Applications are accepted, and grants are awarded, on a rolling basis.

#### **Contact information**

Martha Faust

Executive Director

Minnesota Brownfields

PO Box 16244

St. Paul MN 55116

Phone: (651) 307-4371

Email: [mfaust@mnbrownfields.org](mailto:mfaust@mnbrownfields.org)

Website: <http://mnbrownfields.org/our-work/brownfield-gap-financing/>

## Grants

### **Ramsey County Environmental Response Fund (ERF)**

Ramsey County Community and Economic Development/Housing and Redevelopment Authority have established an ERF to facilitate in the clean-up of contaminated properties throughout the county. The goal of this program is to redevelop blighted or abandoned sites while creating living wage employment, affordable housing, and enhancing neighborhood or community quality of life. Proposals are coordinated with DEED and Metropolitan Council brownfields programs.

#### **Who is eligible?**

Ramsey County municipalities, public entities, and for-profit and non-profit organizations are eligible for these funds. Funds are intended as gap financing to mitigate capital investment associated with the redevelopment of contaminated and polluted property located in Ramsey County. Applicants must own or demonstrate legal control of the property and have a pre-approved RAP from the MPCA.

#### **What activities are funded?**

- Costs associated with indemnifying against liability
- Remediation of property contaminated with hazardous waste and/or petroleum, and lead and asbestos removal in existing buildings
- Land improvement for economic development, recreational, housing, transportation or rail traffic

#### **How much funding is available?**

- Amount varies depending on available revenue
- Request should be a minimum of \$100,000 (except where it is matching other resources)
- Intended as gap financing—applicants should have exhausted funds available from other sources
- Applications are accepted May 1 and November 1 of each year

#### **Contact information**

Denise Beigbeder or Mary Lou Egan

Community Representatives

Ramsey County

Community and Economic Development

County Courthouse / City Hall

15 West Kellogg Boulevard

Saint Paul, MN 55102

Phone: (651) 266-8000

Email: [marylou.egan@co.ramsey.mn.us](mailto:marylou.egan@co.ramsey.mn.us) ; [Denise.Beigbeder@co.ramsey.mn.us](mailto:Denise.Beigbeder@co.ramsey.mn.us)

## Grants

### Tax Base Revitalization Account

The Metropolitan Council's Tax Base Revitalization Account (TBRA) is one of the three incentive accounts created by the 1995 Livable Communities Act adopted by the Minnesota Legislature. The TBRA provides grants to investigate or clean up contaminated property for subsequent residential, commercial, or industrial development.

#### **Who is eligible?**

Cities, counties, and local development authorities located in the 7-county metro area and participating in the Metropolitan Livable Communities Housing Incentives Program are eligible to apply for funds. Applications involving public-private partnerships are most competitive. Cleanup grant applicants must have an MPCA-approved RAP, but investigation grants can fund RAP development.

#### **What activities are funded?**

- Phase I and Phase II environmental site assessments
- RAP development
- Demolition and site preparation (only if necessary to access contamination)
- Soil or ground water remediation
- Soil vapor mitigation
- Asbestos abatement work
- Lead paint removal or stabilization

#### **How much funding is available?**

- Up to 100% of grant-eligible investigation and cleanup costs
- Funding for individual projects varies considerably, but average award over the last three years was about \$254K
- Up to \$5M available annually
- Applications accepted May 1 and November 1 of each year

#### **Contact information**

Marcus Martin  
Tax Base Revitalization Program Coordinator  
Metropolitan Council  
390 Robert St. North  
Saint Paul, MN 55101-1805  
Phone: (651) 602-1054  
Email: [marcus.martin@metc.state.mn.us](mailto:marcus.martin@metc.state.mn.us)

## Reimbursement

### **Agricultural Chemical Response and Reimbursement Account (ACRRA)**

Administered by the MDA, the Agricultural Chemical Response and Reimbursement Board authorize reimbursement of the costs of investigating and cleaning up agricultural chemical contamination that has resulted from a storage container leak, spill or other incident.

#### **Who is eligible?**

Any responsible person, property owner or purchaser, or voluntary party is eligible for reimbursement.

#### **Who is ineligible?**

The state, state agencies, political subdivisions of the state, federal government, and common carrier transportation accidents are not eligible to receive ACRRA funds.

#### **What activities are funded?**

- Site investigation as determined necessary by the MDA
- Environmental cleanup as determined necessary by the MDA

#### **How much funding is available?**

- The Board may reimburse 80% of corrective action costs greater than \$1,000 and less than or equal to \$350,000 (maximum reimbursement is \$279,200)
- If recontamination from a subsequent incident exists, the Board is limited to a maximum reimbursement of 60%
- Applications accepted throughout the year

#### **Contact information**

Rae Lynn Herbster

ACRRA Administrator

Minnesota Department of Agriculture

625 Robert Street North

Saint Paul, MN 55155-2538

[www.mda.state.mn.us/acrra](http://www.mda.state.mn.us/acrra)

Phone: (651) 201-6138 (ACRRA Line); (651) 201-6490 (Rae Lynn Direct)

Email: [RaeLynn.Herbster@state.mn.us](mailto:RaeLynn.Herbster@state.mn.us)

## Reimbursement

### [Drycleaner Fund: Environmental Response and Reimbursement Account](#)

Administered by the MPCA, this account funds the cleanup of soil, groundwater and soil vapor contamination at drycleaning sites.

#### **Who is eligible?**

Eligible parties include past or present owners or operators of drycleaning facilities that serve the general public, or current landowners of former drycleaner sites.

#### **What activities are funded?**

- Site investigation and environmental cleanup of contamination resulting from drycleaning operations, as determined necessary by the MPCA
- Investigation costs are only reimbursed if an environmental cleanup is required

#### **How much funding is available?**

- The owner or operator is responsible for the first \$10,000 of investigation and cleanup costs
- After \$10,000, reimbursement equals 100% of eligible costs

#### **Contact information**

Crague Biglow or Jennifer Haas

Minnesota Pollution Control Agency

MPCA Remediation Division

520 Lafayette Road

Saint Paul, MN 55155-4194

Phone: (651) 757-2229 (Crague); (651) 757-2401 (Jennifer)

Email: [Crague.biglow@state.mn.us](mailto:Crague.biglow@state.mn.us); [Jennifer.haas@state.mn.us](mailto:Jennifer.haas@state.mn.us)

## Reimbursement

### Petroleum Tank Release Cleanup Fund – Petrofund

The Petrofund provides partial reimbursement to eligible applicants for corrective action costs associated with releases from underground and above-ground petroleum storage tanks. The Petrofund also removes abandoned underground petroleum storage tanks. The Abandoned Underground Storage Tank program is separate from the reimbursement program.

#### **Who is eligible?**

Eligible applicants include owners and operators of underground or above-ground petroleum storage tanks that have had a release, as well as owners of properties contaminated by leaking petroleum storage tanks that were removed prior to their purchase of the property.

To qualify for the Abandoned Underground Storage Tank Removal program, applicants must establish that the tank(s) on their property was taken out of service before December 22, 1988 or if it can be reasonably documented that the tank's existence on the property at the time of acquisition was unknown.

#### **What activities are funded?**

- Reimbursement is provided for site investigation and cleanup work, (as determined to be necessary for corrective action by the MPCA)
- Costs for the development or redevelopment of leak-sites are ineligible for reimbursement
- Abandoned tank removal contractors are hired and paid directly by the Petrofund

#### **How much funding is available?**

- For the reimbursement program, up to 90% of eligible costs, with a maximum reimbursement of \$1 million per release and \$2 million per tank facility
- For the Abandoned Underground Storage Tank program, projects are generally scheduled on a first-come, first-served basis until the annual program appropriation has been expended
- Applications for both programs are accepted throughout the year

#### **Contact information**

Minnesota Department of Commerce  
Petrofund Program  
85 7th Place East, Suite 500  
St. Paul, MN 55101  
Phone: (651) 539-1515  
Email: [petrofund.commerce@state.mn.us](mailto:petrofund.commerce@state.mn.us)



## Tax Assistance

### Contamination Tax

This tax tool from the Minnesota Department of Revenue provides for a reduction in property tax on contaminated property to as low as 12.5 percent of contamination value.

#### **Who is eligible?**

In order to qualify, a property owner must have prepared and begun implementing an MPCA or MDA approved RAP. Contamination may include commercial chemicals, petroleum products, asbestos, radon gas, pesticides, fertilizers, and other harmful substances. If contamination at the site is asbestos, an asbestos-abatement plan must be in place.

#### **Contact information**

Minnesota Department of Revenue  
600 North Robert Street  
St. Paul, MN 55101  
Phone: (651) 556-4850  
Email: [contamination.tax@state.mn.us](mailto:contamination.tax@state.mn.us)

### Tax Increment Financing (TIF)

TIF uses the increased property taxes that a new real estate development generates to finance the costs of the development. For brownfield sites, TIF uses property taxes generated by the increase in value created by cleanup and redevelopment to pay down the cost of cleanup or prepare and implement response plans.

In Minnesota, all of the property tax on a formerly contaminated site, not just its increased value, can be used.

#### **What activities are funded?**

The TIF structure can pay for the preparation and implementation of a plan for removing or remediating pollutants and contaminants containing petroleum.

#### **Contact information**

Contact your local unit of government for information regarding TIF.

## Technical Assistance

### **Federal Targeted Brownfields Assessment**

Targeted Brownfields Assessments (TBA) are conducted by the EPA at no cost to the applicant. The TBA evaluates the risk posed by the site and can identify strategies that promote brownfields revitalization and benefits to the community.

#### **Who is eligible?**

The EPA performs TBAs for public entities or nonprofits who partner with a public entity. The applicant should apply for sites which it owns (or for which it has the ability to obtain ownership) and have current redevelopment plans for the property.

#### **Contact information**

Michael Gifford or Gary Schafer  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Boulevard  
Mail Code: SB-7J  
Chicago, IL 60604-3507  
Phone: (312) 886-7257 (Michael); (312) 353-8827 (Gary)  
Email: [gifford.michael@epa.gov](mailto:gifford.michael@epa.gov); [schafer.gary@epa.gov](mailto:schafer.gary@epa.gov)  
Website: [www.epa.gov/brownfields](http://www.epa.gov/brownfields)

### **MDH Site Assessment and Consultation (SAC) Unit**

The SAC Unit works to ensure that site investigations and cleanups address public health concerns. For example, the SAC Unit can provide recommendations about the redevelopment of contaminated sites to ensure that the health of sensitive groups of people (at schools, daycares, or nursing homes) is protected. The SAC Unit is also often involved where there are unusual contaminants or routes of exposure.

#### **Who is eligible?**

Local government, state and federal agencies can receive and benefit from a public health consultation on brownfield sites.

#### **Contact information**

Minnesota Department of Health  
Site Assessment and Consultation Unit  
625 Robert Street North  
St. Paul, Minnesota 55164-0975  
Phone: (651) 201-4897, (800) 657-3908  
Email: [health.hazard@state.mn.us](mailto:health.hazard@state.mn.us)

## Technical Assistance

### **Technical Assistance to Brownfields Communities (TAB)**

Technical Assistance to Brownfields Communities is a national program, funded by EPA, and operated via a grant to Kansas State University (KSU), which provides TAB services in EPA Regions 5 (including Minnesota), 6, 7, and 8. KSU is charged with providing free planning, environmental, and economic development expertise to local governments and tribes who are redeveloping brownfields. The assistance is tailored to the specific needs of the community and may include site re-use visioning, feasibility assessments and strategic planning to achieve re-use goals, and reviews of environmental assessments, technical documents, or grant applications.

#### **TAB Contact for Minnesota**

Martha Faust  
Minnesota Brownfields  
PO Box 16244  
St. Paul, MN 55116  
Phone: (651)307-4371  
Email: [mfaust@mnbrownfields.org](mailto:mfaust@mnbrownfields.org)

#### **Main Program Contact**

Blase Leven  
TAB Program Coordinator  
Center for Hazardous Substance Research  
Kansas State University  
101 Ward Hall  
Manhattan, KS 66506-2502  
Phone: (785) 532-0780 Cell: (785) 565-8198  
Email: [baleven@k-State.edu](mailto:baleven@k-State.edu)

## Technical Assistance

### **MN Targeted Brownfields Assistance Program**

The MPCA Targeted Brownfield Assistance Program (MNTBAP) hires MPCA-approved contractors to perform historical investigations (Phase I), environmental sampling (Phase II), and evaluation and development of cleanup options and RAPs for brownfield sites within Minnesota, at no cost to the participating community. Community support for proposed projects should be demonstrated.

#### **Who is eligible?**

MNTBAP is available to municipalities, counties, tribal governments, watershed districts, nonprofit organizations and general purpose units of local governments seeking to return environmentally impacted property to beneficial use. Applications for assistance are accepted throughout the year and are funded based on MPCA and EPA approval and the availability of funding in any given fiscal year.

#### **Contact Information**

John Betcher  
Hydrogeologist- MN TBAP Coordinator  
Minnesota Pollution Control Agency  
520 Lafayette Road North  
St. Paul, MN 55155-4194  
Phone: (651) 757-2226  
Email: [john.betcher@state.mn.us](mailto:john.betcher@state.mn.us)

## Cleanup Oversight Programs

### [MDA Voluntary Investigation and Cleanup \(AgVIC\) Program](#)

The AgVIC Program provides technical assistance and liability assurances for environmental site investigation, and cleanup costs for sites contaminated with agricultural chemicals.

#### **Who is eligible?**

Business owners and others with liability concerns are eligible. The person or party requesting assistance will be charged for MDA staff time and related costs, and must commit in advance to paying these costs.

#### **Contact information**

Greg Hanson  
Incident Response Unit, AgVIC Program  
Minnesota Department of Agriculture  
625 Robert Street North  
St. Paul, Minnesota 55155-2538  
Phone: (651) 201-6681  
Email: [greg.hanson@state.mn.us](mailto:greg.hanson@state.mn.us)

### [Petroleum Remediation Program](#)

The Petroleum Remediation Program (PRP) protects human health and the environment by evaluating, minimizing, or correcting petroleum contamination impacts to soil and water caused by leaking storage tank systems. PRP is a risk based program that also includes the Petroleum Brownfields Program. The MPCA Brownfields Program provides assistance to cities, counties and individuals buying, selling and developing contaminated properties. While the MPCA does not provide any funding for these activities, the Brownfields Program does offer several services and products that provide liability assurance and peace of mind, and are often required by grant agencies and lenders.

#### **Who is eligible?**

Property owners, purchasers, developers and other voluntary parties are eligible for this service. The person or party requesting assistance will be charged for MPCA staff time and related costs

#### **Contact information**

Stacey VanPatten or Mark Koplitz  
Minnesota Pollution Control Agency  
Petroleum Brownfields Program  
520 Lafayette Road North  
Saint Paul, MN 55155-4194  
Phone: (651) 757-2425 (Stacey); (651) 757-2502 (Mark)  
Email: [stacey.vanpatten@state.mn.us](mailto:stacey.vanpatten@state.mn.us); [mark.koplitz@state.mn.us](mailto:mark.koplitz@state.mn.us)

## Cleanup Oversight Programs

### [Voluntary Investigation and Cleanup \(VIC\) Program](#)

This fee-for-service program provides technical assistance and administrative or legal assurances for individuals, businesses or developers seeking to investigate and/or cleanup properties contaminated with hazardous substances, pollutants or contaminants.

#### **Who is eligible?**

Property owners, purchasers, developers, bankers, development agencies, local government, and other voluntary parties work with VIC staff to bring contaminated land back into productive use. The person or party requesting assistance will be charged for MPCA staff time and related costs

#### **Contact information**

Gary Krueger  
MPCA Voluntary Investigation and Cleanup (VIC) Program  
Minnesota Pollution Control Agency  
520 Lafayette Road  
Saint Paul, MN 55155-4194  
Phone: (651) 757-2608  
Email: [Gary.Krueger@state.mn.us](mailto:Gary.Krueger@state.mn.us)

## Case Studies:

### Twin Lakes – Brooklyn Center, MN

Cleanup and redevelopment efforts transformed a former low-lying wetland, filled with construction demolition debris, into office/warehouse space for two medical technology companies.



#### Cleanup Activities

The site, which had been vacant since 2007, contained 65,000 cubic yards of contaminated fill soil, which was found to be as much as 20 feet below the water table. Samples from the soil demonstrated the presence of carcinogenic and non-carcinogenic polynuclear aromatic hydrocarbons (PAHs), as well as petroleum. The cleanup effort also encountered brick fragments, concrete slabs, bituminous fragments, chunks of tar, sewer tile, geotextile fabric, rubber, Styrofoam, metal, and six former tennis courts painted with asbestos-containing products. In addition to a \$50,000 Investigation Grant from DEED, the remediation was funded in part by a \$951,348 DEED Contamination Cleanup Grant, \$701,346 in Met Council TBRA grants, and \$240,000 from the Hennepin County ERF.

#### Economic Impact

The redeveloped area contains 90,000 square feet of office and warehouse space featuring a number of LEED features. Tenants Omnicare and Medafor have added 200 medical technology jobs, and the building is projected to support an additional 60 positions when fully leased. The landscaping includes prairie restoration plantings, which dramatically reduce the water use for irrigation and CO2 emissions from lawn mowing. The site also hosts a paved trail, which connects to a number of regional trail systems. The site's development was supported by over \$3.6M in private equity.

## Bank Midwest Site – Fairmont, MN

Bank Midwest expressed an interest in purchasing a former VFW building and constructing a new, modern facility to expand their operations within Fairmont. The VFW site was located on one of Fairmont's busiest highways, within a commercial area already undergoing redevelopment.



### Cleanup Activities

Initial construction activity revealed that the land under the VFW's parking lot had been used to dispose of treated wood and demolition debris, resulting in polynuclear aromatic hydrocarbons (PAHs) well in excess of MPCA standards. Approximately 6,883 tons of PAH-impacted soil and debris were excavated and disposed of as part of the cleanup. The City of Fairmont received an investigation grant from DEED for \$33,600 and a cleanup grant for \$369,609 to supplement the local developer and public funding for the cleanup.

### Economic Impact

The property covers an area of approximately 1.4 acres with an estimated post development value of over \$2.5 million. The presence of the new bank building has resulted in an annual property tax increase of \$60,000 and the retention of 28-30 desirable, high-wage jobs.



## Contributing Agencies

### Minnesota Department of Employment and Economic Development (DEED)

DEED is Minnesota's principal economic development agency. DEED programs promote business recruitment, expansion, and retention; international trade; workforce development; and community development.

DEED facilitates an economic environment that produces jobs and improves the quality of the state's workforce. These actions support the economic success of Minnesota individuals, businesses, and communities by providing opportunities for growth.

DEED's five overarching objectives are to:

- Attract, retain, and expand businesses and create jobs.
- Cultivate entrepreneurs.
- Connect workers to jobs, prepare workers for jobs in demand, and assist people to live independently.
- Stabilize and stimulate the economy through benefit payments.
- Help communities thrive.

The Business and Community Development (BCD) Division within DEED provides financial and technical services to businesses, communities, and economic development professionals. BCD assists in capacity building, infrastructure financing, and brownfield redevelopment.

The BCD Division offers brownfield site cleanup and redevelopment funding through the Office of Brownfields and Redevelopment. Reclaiming and redeveloping contaminated and blighted properties is essential for communities to remain vital and in the best possible position to attract new commercial, industrial and residential growth. DEED's brownfield redevelopment initiatives have received EPA recognition for demonstrating leadership and commitment to brownfields redevelopment.

#### Contact information

Meredith Udoibok

Director – Office of Brownfields and Redevelopment

Minnesota Department of Employment and Economic Development

Business and Community Development

1<sup>st</sup> National Bank Building

332 Minnesota Street, Suite E200

Saint Paul, MN 55101-1351

Phone: (651) 259-7449

Email: [meredith.udoibok@state.mn.us](mailto:meredith.udoibok@state.mn.us)

## Minnesota Pollution Control Agency (MPCA)

*Working with Minnesotans to protect, conserve and improve our environment and enhance our quality of life.*

To continue moving Minnesota toward environmental excellence, the MPCA monitors environmental quality, offers technical and financial assistance, and enforces environmental regulations. The agency finds and cleans up spills or leaks that can affect our health and environment. Staff develop statewide policy, and support environmental education.

### Partnerships

The MPCA works with many partners — citizens, communities, businesses, all levels of government, environmental groups, and educators — to prevent pollution and conserve resources. These partnerships allow the agency to:

- Foster greater commitment and personal responsibility for our environment
- Work to minimize the use and generation of toxic chemicals from products and buildings
- Help others convert waste into energy or high-value products
- Protect, restore, and preserve the quality of Minnesota's waters
- Develop solutions to Minnesota's climate-change challenges

Brownfields assistance is available from many sources. The MPCA offers technical and financial assistance to parties involved with brownfield sites. The MPCA can also issue liability assurance letters through the VIC Program and Petroleum Brownfields Program.

### Contact information

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Minnesota Pollution Control Agency  
520 Lafayette Road  
Saint Paul, MN 55155-4194  
Phone: (651) 757-2608  
Email: [Gary.Krueger@state.mn.us](mailto:Gary.Krueger@state.mn.us)

## Minnesota Brownfields

*Promoting the reuse and redevelopment of brownfields*

Established in 2006, Minnesota Brownfields is a 501(c)(3) non-profit organization dedicated to supporting and enhancing brownfield reuse and redevelopment throughout Minnesota.

The organization is guided by a Board of Directors and an Advisory Council. Membership draws broadly from across the brownfield redevelopment community, including private and public developers, regulatory agencies, banks and public funders, environmental law firms, environmental consulting and engineering firms.

### Areas of expertise

#### Education and Public Policy

Minnesota Brownfields organizes and hosts workshops that provide practical information on the skills required to understand and manage existing and emerging issues that are critical in the area of brownfield redevelopment.

#### Research

Through comprehensive analysis of major brownfield issues, Minnesota Brownfields identifies and monitors key government, non-profit and for-profit initiatives and programs and their impact on brownfield redevelopment.

#### Facilitation and Consensus Building

The brownfields community is comprised of diverse stakeholders and perspectives. Minnesota Brownfields facilitates conversations to identify policy gaps, synthesize solutions and communicate those solutions while building consensus between major stakeholders.

### Contact information

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