Redevelopment Grant Program
Redevelopment Grant Program
Program Purpose

- Level the playing field by removing or assisting with extra costs of development on previously used sites
- Create jobs, increase taxes
Eligible Applicants

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

• Site must have been previously developed

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

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

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

• Eligible costs are those incurred after grant award date

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

• Must be 50% of total eligible redevelopment costs

• Match can be from any available source
Funds Available

$1,500,000 approximately

GENERAL FUND!!!

50% to Greater Minnesota
50% to Metro Area
Project Readiness

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

- Contamination remediation need (15 points)
- Qualifies for and uses TIF (25 points)
- Redevelopment potential (90 points)
- Proximity to public transit (5 points)
- Multi-jurisdictional projects that take into account affordable housing, transportation and environmental impact (15 points)
Minimum Score

• Total points available = 150

• Applications must score at least 50 points to be eligible for funding
Application Due Dates

Applications are due on August 1 by 4:00 pm at DEED offices

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

Applications and instructions may be found on the DEED website:

www.mn.gov/deed/

FOR GOVERNMENT

Financial Assistance

Site Cleanup and Redevelopment Funding

Redevelopment Grant Program or

Demolition Loan Program
Application Reminders

• Complete applications thoroughly by due date:
  – All questions answered
  – All attachments submitted (appraisals, Resolutions, etc.)
  – Closed Process

• Only Assessor or Appraiser can determine value

• Use Updated Application form
Awarding Grants

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

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

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

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

• 2% interest rate for maximum of 15 years

• Interest and payment free for first two years

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

• Submit Demolition Loan Program Application
• Applications are due same time as Redevelopment Grant Program
• Awards might not be made at the same time
Demolition Loan Scoring Criteria

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

Brownfields and Redevelopment staff:

Kristin Lukes,
Director, Brownfields and Redevelopment Unit
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Project Managers:

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Questions?

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