



# Minnesota **GreenStep Cities** Workshops

Achieving  
sustainability  
through proven  
best practices

## Best Practice 25: Green Business Development

**February 1, 2017 9am to 11am**

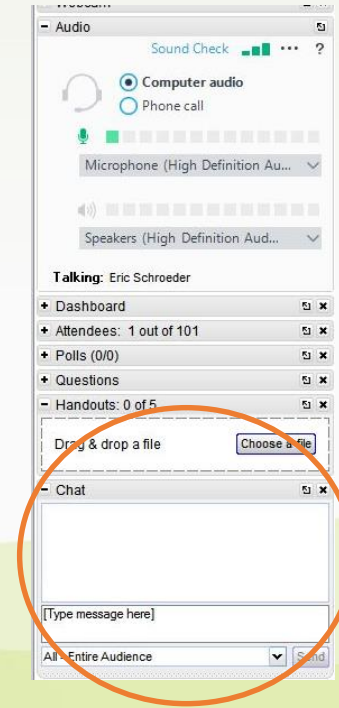
GreenStep Cities Workshop and Webinar  
At the League of Minnesota Cities or Available via Webinar

- |              |                                       |
|--------------|---------------------------------------|
| <b>8:45</b>  | Registration, coffee, & refreshments  |
| <b>9:00</b>  | Introductions                         |
| <b>9:10</b>  | A Closer Look at Best Practice 25     |
| <b>9:20</b>  | Natalie Brown, Minnesota Brownfields  |
| <b>9:50</b>  | Shanna Schmitt, MPCA                  |
| <b>10:10</b> | Kristin Lukes, DEED                   |
| <b>10:30</b> | Janice Gundlach, City of New Brighton |

*This workshop series is supported with generous funding from the McKnight Foundation.*

# Housekeeping

- Webinar Participants – Chat Window
- Past Workshops:
  1. Introduction to GreenStep Cities
  2. Energy, Data, and Setting Goals
  3. City Resiliency
  4. Living Streets
  5. Community Engagement
  - Get 2016-2017 materials here:  
<http://www.betterenergy.org/2016-2017GreenStep-Workshops>
  - 2015-2016 workshops available here:  
<http://www.betterenergy.org/2015-2016GreenStep-Workshops>
- Twitter: **#GreenStepWkshp**
- Coffee Sponsor!



# BP 25: Green Business Development



## Best Practice Actions

[See action tools, guidance, city reports]

1. Support **new/emerging green businesses** and green jobs through targeted assistance and new workforce development.
2. Create or participate in a marketing/outreach program to connect businesses with **assistance providers**, including utilities, who provide personalized energy, waste or sustainability audits and assistance.
3. Actively promote **sustainable tourism** in your city, and green tourism resources to tourism and hospitality businesses in/around the city.
4. Strengthen value-added businesses **utilizing local waste products and renting products/services**.
5. Lower the environmental footprint of a **brownfield remediation/redevelopment project**.
6. Promote **green businesses that are recognized** under a local, regional or national program.
7. Conduct or participate in a **buy local campaign** for community members and local businesses.
8. (Action deleted on 06/12/2012)

# Brownfields 101- Steps for successful redevelopment

Minnesota GreenStep Cities  
February 1, 2017



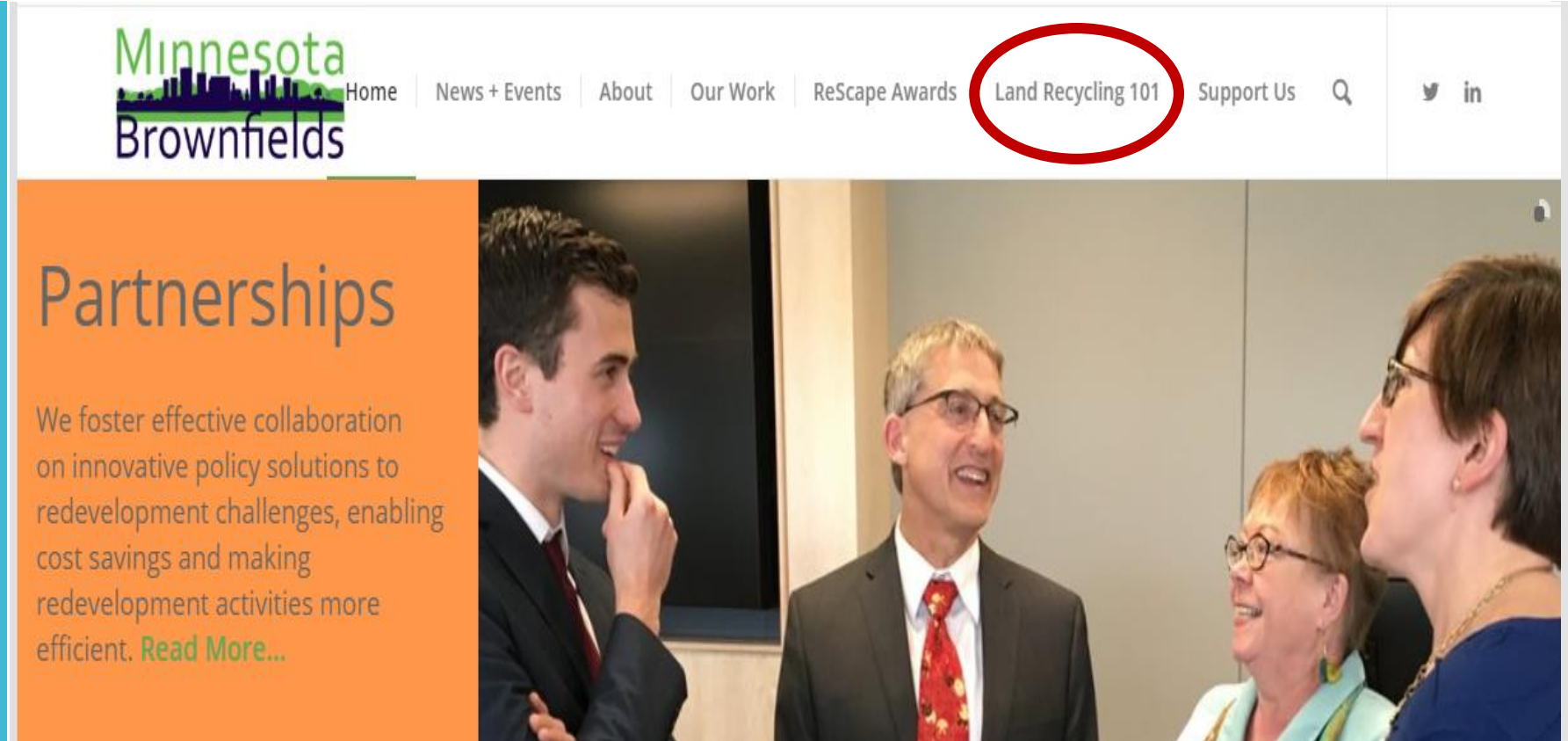


# Minnesota Brownfields: what we do



- Workshops
- Training
- On-call assistance
- Research

# Minnesota Brownfields Resources



[www.mnbrownfields.org](http://www.mnbrownfields.org)

What is a brownfield?

## What is a brownfield?

“...real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.”



# Typical brownfield

Rail depot





# Typical brownfield

Abandoned gas station





Brownfield?

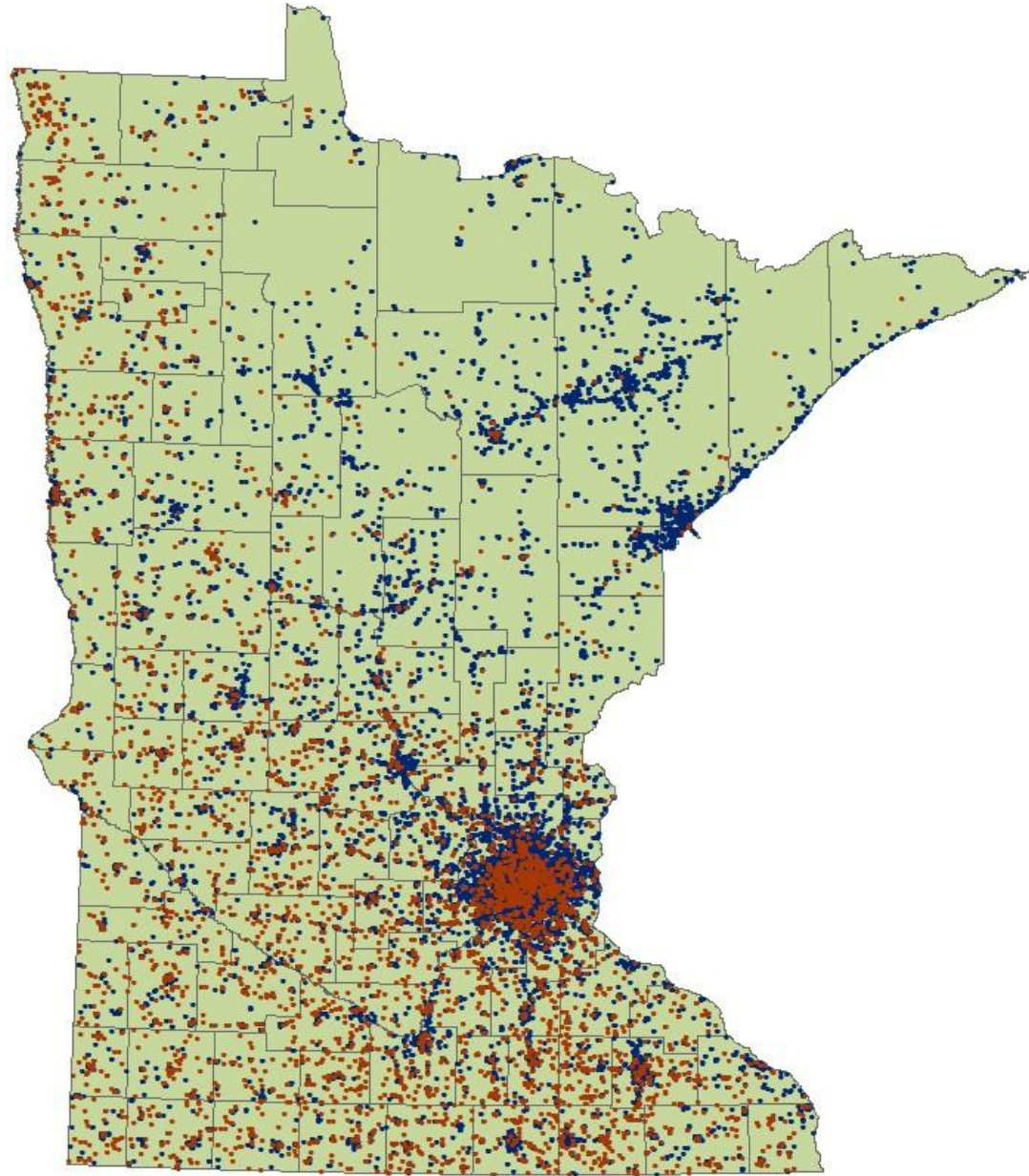


## Brownfield challenges

Often it is the *perception* of contamination that keeps properties from being redeveloped, not the actual presence of contamination.



# Brownfields in Minnesota



# Brownfield redevelopment process

1. Set Redevelopment Goals & **Identify** Brownfields
2. **Investigate** – Phase I/II site assessments  
(environmental due diligence)
3. **Clean-up**, if necessary
4. **Redevelop**

# Avoid pitfalls!

- There are no “shortcuts” with redevelopment. Be proactive.
- When in doubt, investigate
- Timely investigation prevents unforeseen complications from derailing construction schedules (~6-12 months before planned start of your project).
- Resources are available to cover the cost of site assessment and clean up.
- Following these steps WILL save you time, money and headaches!

Identify  
brownfields





## Identify brownfields

Brownfield transactions tend to be complicated and government help is often needed to overcome these complications. A community that is capable of and willing to provide this help can make an otherwise impossible situation workable.

### A: Select the first question for which the answer "YES"

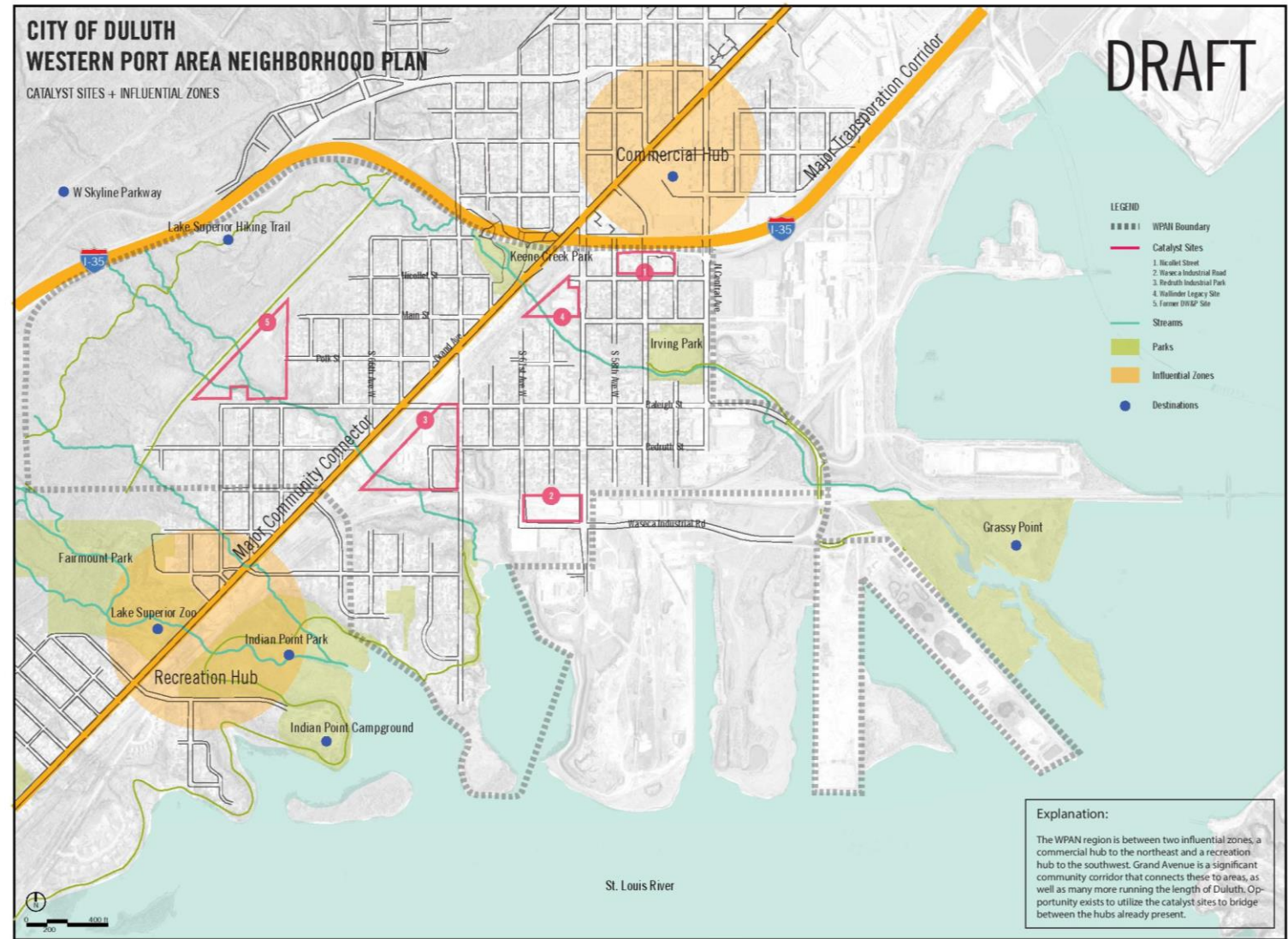
Choose only one.

- ☐ Does your community have a successful brownfield redevelopment program through which other properties have been redeveloped in the past two years?  
+6 points
- ☐ Is this community lacking a successful brownfield program?  
-5 points
- ☐ You don't know?  
-1 points

### COMMUNITY PLAN

Community consensus about the future use of a brownfield site removes a significant amount of risk facing the potential developer of a site. Protracted battles about zoning and environmental impacts can cost time, uncertainty and months or years to a redevelopment project.

# Set redevelopment goals





# Set redevelopment goals

Engaging the community

| CC  | CONTEXT & CONNECTIVITY   | <a href="#">&gt;&gt;&gt; BACK TO INDICATOR CATEGORIES OVERVIEW</a> | IS THIS A PRIORITY                             | NOTES/<br>COMMENTS |
|---|--|--|--|--------------------|
|   |  |  | ISSUE THAT SHOULD<br>BE ADDRESSED?<br>(YES/NO) |                    |
| BROWNFIELD HEALTH INDICATOR DATABASE  |  |  |  |                    |
| CC 1: ACCESS TO GOODS & SERVICES  |  |  |  |                    |
| CC 1.1:   | How might the plan affect the concentration of destinations in the study area? Will the plan create an activity node?  |  |  |                    |
| CC 1.2:   | Does the plan provide spaces for civic, social, and community engagement, such as libraries, performing arts, theatre, museums, concerts, or festivals for personal and educational fulfillment? <i>(Also listed in CI 1 &amp; SE 3)</i>                     |  |  |                    |
| CC 1.3:   | Will the plan create new retail and service spaces? What types? <i>(Also listed in ES 1)</i>   |  |  |                    |
| CC 1.4:   | Will the plan promote economic development by increasing the ease of travel between the site and other businesses within a quarter mile, half mile, and two mile distance from its borders, and to residences within two miles? <i>(Also listed in ES 1)</i> |  |  |                    |
| CC 1.5:   | Are food markets, such as a grocery store, bakery, or greengrocer, sited within a half-mile of most residences and workplaces? <i>(Also listed in HS 4)</i>  |  |  |                    |
| CC 1.6:   | Does the plan promote access to healthy food through community gardens/agriculture? <i>(Also listed in HS 4 &amp; SE 3)</i>  |  |  |                    |
| CC 1.7:   | Does the plan locate housing where it is accessible to resident needs, such as retail, parks, and schools? <i>(Also listed in CI 3)</i>  |  |  |                    |
| <div><a href="#">Database Introduction</a> <a href="#">Indicator Categories</a> <a href="#">(CC) Context&amp;Connectivity</a> <a href="#">(CI) Community Institutions</a> <a href="#">(ES) Economic Stability</a> <a href="#">(E)</a></div> |  |  |  |                    |

# Basics of the cleanup process

Who to know

- Minnesota Pollution Control Agency- Voluntary Investigation & Cleanup, Petroleum Brownfields Program
- City/local economic development authority
- Local engineering/consulting firms



# Investigate: Phase I Site Assessment



## Phase II Site Assessment





Clean Up





Clean Up





Redevelop!



# Make it rain

Finding funding

## Location

- ☐ This project is located in the 7-county Metro as defined by the Met Council
- ☐ This project is NOT located in the 7-county Metro area as defined by the Met Council
- ☐ The project is located in Hennepin County
- ☐ The project is located in Ramsey County
- ☐ The project is located in Dakota County

Filter

## I am the owner of the property

- ☐ Yes
- ☐ No



### Funding Source Finder

There are numerous funding sources available for various stages of brownfield project requirements which dictate availability. To begin to determine if your project qualifies for funding, use the Funding Filter at left. Select all of the appropriate qualifications to see how available sources change in the list below. Hover over or click into the links listed to read more. Click "reset" at bottom of the list.

### EPA Assessment Grant

<http://www.epa.gov/brownfields/types-brownfields-grant-funding>

Read more →

### EPA Cleanup Grant

<http://www.epa.gov/brownfields/types-brownfields-grant-funding>

Read more →

# Technical Assistance to Brownfields

- Free assistance with brownfields redevelopment planning, environmental, economic development expertise
- Tailored to specific community needs
  - Fill gaps in other services
  - Coordinated through the city, tribal or non-profit brownfields project manager
- 'First come, First served' basis
  - Depends on staff/funding availability
- No application process, just contact us



**TAB**

TECHNICAL ASSISTANCE TO BROWNFIELDS



# Questions?

Natalie Brown

Program Manager  
Minnesota Brownfields  
[nbrown@mnbrownfields.org](mailto:nbrown@mnbrownfields.org)  
612.545.6389



# The MPCA's Brownfield Programs!



**Minnesota Pollution  
Control Agency**

# What is a Brownfield Site?



Minnesota Pollution Control Agency



# What is a Brownfield Site?



Minnesota Pollution Control Agency

# VIC & PBP



**Minnesota Pollution  
Control Agency**

# MPCA's Brownfield Programs

- Voluntary Investigation and Cleanup (VIC) Program
  - MN Statute 115.B, the Minnesota Environmental Response & Liability Act (MERLA)
  - Non-petroleum contaminants
- Petroleum Brownfields Program (PBP)
  - MN Statute 115.C, the Petroleum Tank Release Cleanup Act
  - Petroleum related contaminants





# MPCA Brownfields Programs

- Created by the legislature to address liability concerns and provide technical oversight at brownfield sites.
- Voluntary Parties (VPs) include:
  - Developers
  - Local Units of Government
  - Lenders
  - Property/Business Owners
  - Non-Profit Organizations
  - Anyone involved in buying, selling, financing, or redeveloping contaminated property



# What do the MPCA BF Programs do?

- Technical oversight of investigations and cleanups
- Fee for service programs - \$125/hr
- Provide liability assurances
  - These assurances facilitate property transfer and redevelopment.



# Due Diligence

- Typically starts with a Phase I Environmental Site Assessment (Phase I ESA) report.
- Know the Property history
  - Suspected contamination?
  - Known contamination?
  - Affect on current or planned Property use?
- Is cleanup required?





# Assurances Available from VIC & PB

## VIC Sites:

- Lender No Association Determination (Lender NAD)
- No Association Determination (NAD)
- No Action (NA) Determination
- No Further Action (NFA) Determination
- Off-Site Source (OSS) Determination
- Certificate of Completion (COC)

## PB Sites:

- Leak Site Tank Removal Verification Letter
- Leak Site File Closure Confirmation (CloCo) Letter
- Off-Site Tank Release Determination Letter
- General Liability (GL) Letter

**\*Degree of legal protection relates to level of environmental effort!**



# MPCA BF Programs Cooperation to Redevelop Superfund Sites

- Joslyn, Brooklyn Center
  - Toro, Caribou HQ
- National Lead, Brooklyn Center
- NIROP, Fridley
- TCAAP, Arden Hills
- Interlake, Duluth
  - HDPE Supply
- Reilly Tar & Chemical, St. Louis Park



# MNTBAP



**Minnesota Pollution  
Control Agency**



# Minnesota Targeted Brownfields Assessment Program

- MNTBAP is run through the VIC Program
- VIC receives an EPA 128(a) grant each year & a portion can be used for assessments.
  - Parties apply to the MNTBAP for a grant on a rolling basis
  - We use our contractors to complete the work



# MNTBAP Eligible Sites

- Municipal government, county government, tribal government, & non-profit organizations may sponsor MNTBAP projects.
- Preference is given to brownfield to greenfield sites.
  - Redevelopment into parks, trails, open space, etc.
- Non metro-area sites are encouraged to apply.
  - We have had only a few out-state sites.
- Federal Superfund sites are not eligible.



# What do You Get?

- Paper and PDF copies of all the reports
  - Phase I ESA report, Sampling and Analysis Plan, Phase II ESA report, and/or a RAP as applicable
- Knowledge – you will know the scope of contamination at your site
- You will have the information you need to:
  - Seek out cleanup funding for your site, or
  - Work with a developer to redevelop the site





# How to Apply for MNTBAP?

- Visit the MPCA Brownfields webpage and download the application forms (see next slide)
  - 4 pages, include photographs if they're available
  - Fill in the information, no essays!
- Call or email John Betcher, MNTBAP Coordinator with any questions
  - 651.757.2226, or [john.betcher@state.mn.us](mailto:john.betcher@state.mn.us)
- Send the application materials to the MPCA address as listed on the forms
  - Any time, no deadline. We start awarding new grants in October of each year!



# Helpful Links

- MPCA Brownfields webpage  
<https://www.pca.state.mn.us/waste/brownfields>
- MNTBAP and application materials are on the MPCA's Brownfields webpage:  
<https://www.pca.state.mn.us/waste/minnesota-targeted-brownfields-assessment-program>
- MPCA Remediation Division guidance webpage  
<https://www.pca.state.mn.us/waste/cleanup-guidance>
- MPCA Brownfield Success Stories webpage  
<https://www.pca.state.mn.us/waste/cleanup-stories>
- MDA AgVIC webpage  
<http://www.mda.state.mn.us/chemicals/spills/incidentresponse/agvic.aspx>





**Minnesota Pollution  
Control Agency**

**Thank you!  
Questions?**

**Shanna Schmitt**

**651.757.2697 or [shanna.schmitt@state.mn.us](mailto:shanna.schmitt@state.mn.us)**





# Brownfields and Redevelopment Programs

Minnesota GreenStep Cities Workshop  
February 1, 2017

# Brownfields and Redevelopment Unit

- Contamination Cleanup and Investigation Grant Program
- Cleanup Revolving Loan Program
- Redevelopment Grant Program
- Demolition Loan Program

# Program Purpose

The purpose of these programs is to reduce the costs of developing previously used sites.

Contamination cleanup and demolition costs would not be present on a site with no prior history.



# Contamination Cleanup and Investigation Grant Program

- Eligible applications are:
  - Cities
  - Counties
  - HRAs
  - EDAs
  - Port Authorities

# Contamination Cleanup and Investigation Grant Program

- Eligible sites include:
  - Both privately and publicly-owned sites
  - Known or suspected contamination
  - Development plan will create jobs, increase tax base, or result in other public benefits
  - Resolution from applicant body and municipality (if different)
  - Cleanup Grant applicants need MPCA approved Response Action Plan (RAP)

# Contamination Cleanup and Investigation Grant Program

| Eligible Costs  | Ineligible Costs                           |
|---|--|
| Investigation<br>- Phase I, Phase II, RAP Development   | Project/Grant Administration               |
| Cleanup<br>- Contaminated soil removal and disposal, vapor systems, groundwater treatment, etc. | Appraisal or other application costs       |
| Public Acquisition*   | Development Costs                          |
| Environmental Consulting Fees*  | Asbestos Abatement in Buildings            |
| Public Improvements*  | Contingencies                              |
| Demolition*   | Landscaping<br>- Seeding, sod, trees, etc. |



# Contamination Cleanup and Investigation Grant Program

- Grant Awards
  - Up to 75% of eligible cleanup/investigation costs
  - Required match = 25% of eligible cleanup/investigation costs
    - 12% must come from unrestricted source
  - \$50,000 max award for investigation grants
  - Applications are competitive
  - Request what you need

# Contamination Cleanup and Investigation Grant Program

- Applications
  - Due at DEED office May 1<sup>st</sup> and November 1<sup>st</sup> by 4:00 PM
  - Template and instructions can be found at [mn.gov/deed](http://mn.gov/deed)
  - Apply when project is ready to start

# Cleanup Revolving Loan Program

- Eligible applicants are:
  - Cities
  - Counties
  - HRAs
  - EDAs
  - Port Authorities
  - **Private entities**
  - **Non profits**



# Cleanup Revolving Loan Program

- Eligible sites include:
  - Completed “All Appropriate Inquiries”
  - Own or have ownership interest in property
  - MPCA-approved RAP
  - Cannot be responsible for the contamination
  - Ability to repay the loan

# Cleanup Revolving Loan Program

- Eligible costs
  - Cost already incurred are not eligible for loan funds
  - Costs only eligible after project is determined eligible and the cleanup plan is “accepted” by the appropriate agencies

# Cleanup Revolving Loan Program

- Loan Awards
  - Applications are accepted throughout the year
  - Loan can reimburse up to 78% of eligible costs
  - 22% match requirement from non-federal source
  - Rate and term negotiable
  - Portion forgivable if borrower is local unit of government



# Redevelopment Grant Program

- Eligible applicants are:
  - Same as Contamination Cleanup Grant
  - Local units of government
- Eligible sites include:
  - Previously developed site
  - End use creates jobs, taxes, or other public benefits
  - Resolution from applicant body and municipality (if different)

# Redevelopment Grant Program

- Eligible costs include:
  - Demolition
  - Interior asbestos abatement
  - Soil stabilization
  - Ponding or other environmental infrastructure
  - Infrastructure improvements
  - Costs must be incurred after grant award date
  - Costs incurred up to 12 months prior eligible as match

# Redevelopment Grant Program

- Grant Awards
  - 50% match requirement
  - Match can be from any available source
  - Split awards 50/50 between Metro and Greater
  - Applications are competitive – apply when ready to start work
  - Applications due February 1<sup>st</sup> by 4:00 PM

# Demolition Loan Program

- Part of Redevelopment Grant Program
- Created to assist local units of government struggling with vacant, blighted properties that are a safety hazard and costly to secure
- Does not require an immediate development plan



# Demolition Loan Program

- Eligible sites include:
  - Applicant must own property and structures
  - Structures vacant at least 1 year
  - Not listed on National Register of Historic Places
  - Constitute a threat to public safety
  - Expectation of future development with economic benefits

# Demolition Loan Program

- Loan Awards
  - 100% of acquisition, demolition, and asbestos abatement costs
  - Max loan amount of \$1,000,000
  - 2% interest rate
  - 15 year term max
  - Interest and payment free first 2 years
  - Costs must be incurred after loan award date

# Demolition Loan Program

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

# DEED Assistance

## Brownfields and Redevelopment staff:

Kristin Lukes,  
Director  
651-259-7451

Irene Dassier,  
Administrative Support  
651-259-7449

## Project Managers:

Ian Kushner,  
651-259-7634

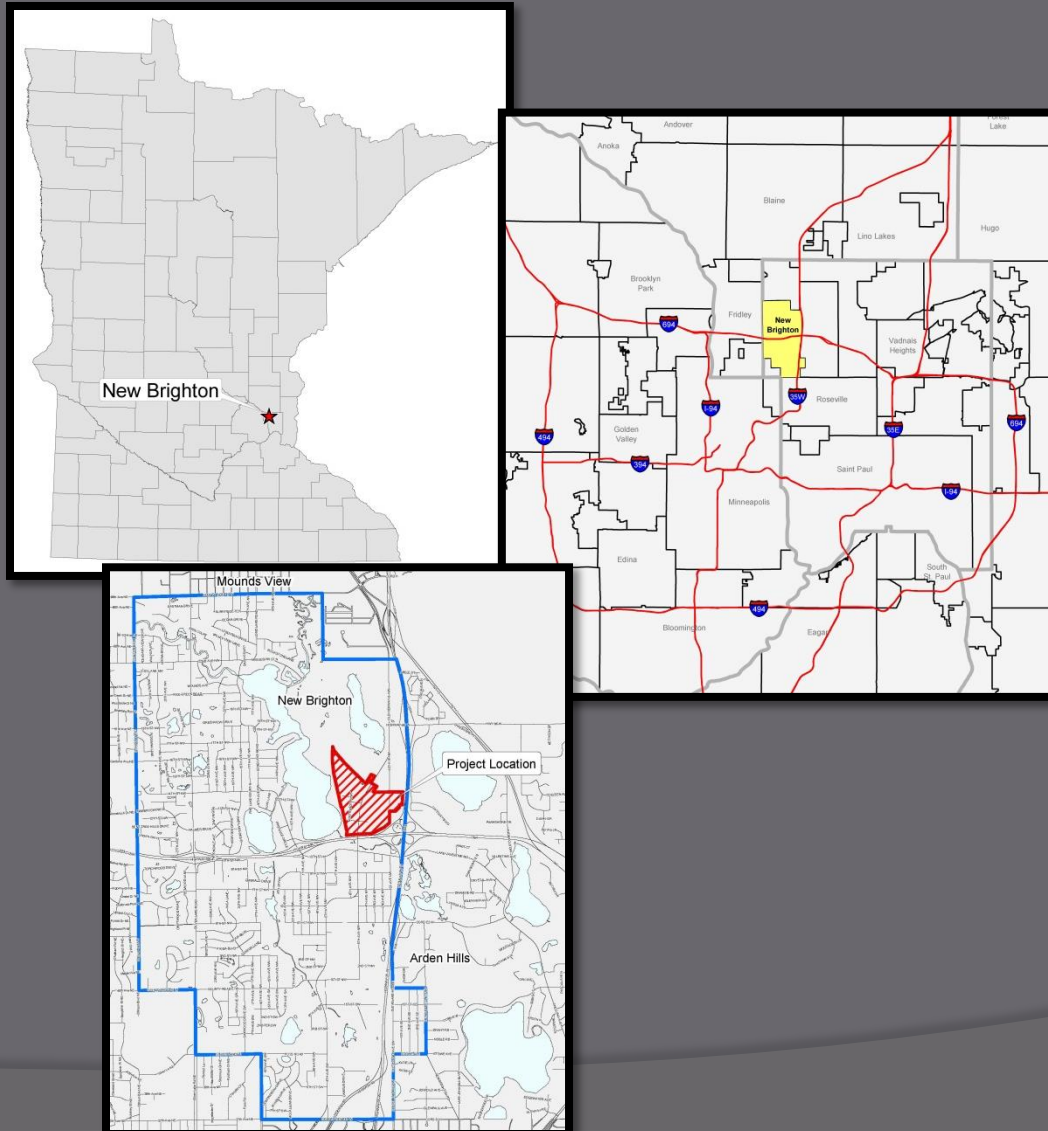
Erin Welle,  
651-259-7453

Sam Claeson,  
651-259-7452





# PROJECT LOCATION



- 1<sup>st</sup> tier suburb
- Population of 22,000
- City is 7 square miles in size – fully developed
- Project area-NW corner of I-694 and I-35 W (2<sup>nd</sup> busiest in metro)
- 100 acres – split in half by Old Highway 8 NW
- Adjacent uses include Long Lake Regional Park, 2 lakes, the New Brighton Community Center, other light industrial uses

# PAST USES

- Stockyards
- Propane distribution
- Trucking terminal
- 2 rendering plants, dump
- Asphalt recycling
- Post office
- Railroad spur
- Gas stations, oil refinery
- Various other commercial / industrial uses





## Site Conditions – Year 2000



Image from the Metrop  
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# STUDIES & PLANS

- City actively in redevelopment mode since late 1970's
- Smaller incremental projects over 25 years – lots of focus on the Old Highway 8 Corridor
- 1986: New Brighton Old Highway 8 Corridor Plan
- 1997: Vision for the Heart of the Community
- 2005: NW Quadrant Framework Plan & Design Guidelines





# ENVIRONMENTAL

- Demolish 20+ buildings – site clearing
- Due diligence investigation, well sealing, asbestos
- West Side:
  - 2 state superfund sites – Trio Solvents & Northwest Refinery
  - Petroleum impacts from 2 former gas stations
  - Debris removal in former rail spur
  - Geotechnical corrections (100,000 yards +)
- East Side:
  - Old Miller Dump – 1960's era dump with 1 million cubic yards of material (garbage & debris)
- Rebuild ¼ mile section of Old Highway 8
- Construct 8 regional-use stormwater facilities



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- Almost 50% of area was impacted
- Largest effort was Old Miller Dump closure





# DUMP CLOSURE

- Consolidate & develop around
- Landfill gas collection system
- Cap
- Monitor







Dump Closure Complete

# Intergovernmental Cooperation

- MN Pollution Control Agency
  - Liability assurances to City and development partners
  - RAP review & approval
- Environmental Protection Agency
  - Brownfields Grant Program
- Dept. of Employment & Economic Development
  - Contamination Clean-Up Grants
- Metropolitan Council
  - Livable Communities Grants
- Ramsey County
  - Environmental Response Fund Grants



# FINANCIALS

- \$28 million in acquisition/relocation costs
- \$9.8 million in grant funds secured
- 2 TIF districts (2 Hazardous Substance Sub-Districts)
- \$38 million in G.O. bonds
- \$13 million loan (current value) from the City's redevelopment fund
  - Will repay w/interest based on TIF generated
- Special legislation on 3 other City TIF districts allowing pooling to 31 & 32
- Special legislation extending duration for 31 & 32 by 4 years



# Current Development





# Current Development

- Blocks B (150,000 SF – 300,000 SF) & D (50,000 SF – 80,000 SF) being marketed!









Questions?





# Minnesota **GreenStep Cities** Workshops

Achieving  
sustainability  
through proven  
best practices

Next Workshop:  
March 1, 2017  
**Water Conservation and Reuse**

