

**MINNESOTA  
DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**

**CONTAMINATION CLEANUP GRANT PROGRAM**

**FY 2006/07 GRANT CYCLE III REPORT**

07 - 0085

Minnesota Statutes § 116J.555, Subdivision 2(b) requires the Department of Employment and Economic Development (DEED) to report to the Environment and Natural Resources Committees of the Senate and the House of Representatives, the finance division of the Senate Committee on the Environment and Natural Resources, and the House of Representatives Committee on the Environment and Natural Resources Finance regarding grants awarded under the Contamination Cleanup Grant Program (CCGP). This report must be submitted for each semi-annual grant cycle 30 days after grants are awarded. This report fulfills the reporting requirement by both informing the committees of the new projects funded and providing supporting information on each grant award.

**I. New Projects Funded**

**A. Funding for New Projects (November 2006):**

Complying with legislative intent and past practice, the total funding available for this grant cycle was determined by taking the total available funding for the biennium (after reduction for administrative costs) and dividing that amount equally between the four semi-annual grant cycles to be conducted during the biennium. For this grant cycle, there was an additional \$30,352.00 in unspent funds which were reverted from previously funded projects. This results in the following amount available for grant awards during this grant cycle:

General Fund	\$ 695,851
Remediation Fund	\$ 700,000
<u>Petro Fund</u>	<u>\$3,295,660</u>
TOTAL	\$4,691,511

**B. Projects Funded**

DEED reviewed 15 grant applications (10 Contamination Cleanup Grants and 5 Contamination Investigation Grants) in the November 2006, CCGP grant cycle. Of these, the following projects were awarded grants:

<u>Cleanup Grants:</u>	
Duluth, Garfield Site Outlot A	\$ 406,516
Minneapolis CPED, Pacific Block	782,035
New Brighton, Northwest Quadrant	1,200,000
Roseville, Parkside Addition	613,816
St. Paul Port Authority, Griffin Wheel Works	1,241,500
South St. Paul HRA, BridgePoint	333,944

Investigation Grants:

Moorhead, Municipal Power Station	\$41,025
Red Wing Port Authority, Central Research Labs	37,050
Winsted, City Center	5,625
Worthington, Cambell's Soup Company	30,000

TOTAL \$4,691,511

Per Minnesota Statutes § 116J.555, Subdivision 1(b)(6), at least 25% of the total funds available for each cycle shall be awarded in grants to projects in Greater Minnesota if eligible applications are received. During this grant cycle, we awarded funds for cleanup applications submitted by Duluth, Red Wing, Winsted, Worthington, and Moorhead. The award amounts for these applications totaled \$520,216, which is equal to 11% of available funds. Due to lack of applications from Greater Minnesota, we were not able to spend 25% of the total funds available for the cycle in Greater Minnesota.

**II. Supporting Information on Each Grant Award**

Cleanup Awards:

City of Duluth – *Garfield Site Outlot A*

**\$406,516 Cleanup Grant**

The City of Duluth requested funds to clean this 15-acre site, formerly used for rail yard operations and maintenance. Contamination includes DROs, metals and PAHs. The redevelopment plan calls for two commercial/industrial buildings. This project will create 90 full-time jobs, retain 30 full-time jobs, and increase the tax base by \$279,377 annually.

City of Minneapolis Community Planning and Economic Development – *Pacific Block*

**\$782,035 Cleanup Grant**

The City of Minneapolis requested funds to clean this 2.45-acre site, previously used for warehousing, milling, implement and mattress manufacturing, and auto repair. Contamination includes PAHs, metals, and VOCs. The site will be redeveloped as a hotel, rental (75 units) and owner-occupied housing (426 units), retail commercial space and structured parking. The new development plan is expected to create 151 new full-time jobs, retain 34 full-time jobs and increase the tax base by \$2,503,649 annually.

City of New Brighton – *Northwest Quadrant*

**\$1,200,000 Cleanup Grant**

The City of New Brighton requested funds to clean this 18.5-acre site formerly occupied by a refinery, gasoline service station, stockyard, solvent company, and a propane storage and transfer company. Contamination includes DROs, PAHs, VOCs and metals. The planned redevelopment includes construction of 207 housing units. The property tax base will increase by \$498,954 annually.

City of Roseville – *Parkside Addition*

**\$613,816 Cleanup Grant**

The City of Roseville requested \$613,816 in DEED funds to clean this 3.32-acre site previously used as office space and warehousing. Contamination includes VOCs, PCE and TCE. The redevelopment plan includes plans for 11 single family homes, including two affordable housing units. The redevelopment will increase tax base by \$57,486 annually.

St. Paul Port Authority – *Griffin Wheel Works*

**\$1,241,500 Cleanup Grant**

The St. Paul Port Authority requested \$1,241,500 in DEED funds to clean this 9-acre site, formerly occupied by foundries. Contamination includes PAHs, DROs, PVOCs, VOCs, metals, asbestos in the soil, and VOCs in the groundwater. The redevelopment plan envisions 130,000 square feet of commercial/industrial space leading to 210 new full-time jobs and 260 retained full-time jobs. The tax base will be increased by \$323,050 annually.

South St. Paul HRA – *BridgePoint Business Center*

**\$333,944 Cleanup Grant**

The South St. Paul HRA requested \$333,944 in DEED funds to clean this 9.05-acre site, the former Armour Company's animal processing facility. The site is contaminated with petroleum, PAHs, lead and methane vapors. The redevelopment plan calls for 3 office condominium buildings totaling 120,000 square feet. The project will create 114 full-time jobs, retain 57 full-time jobs, and increase the tax base by \$223,620 annually.

City of Moorhead – *Municipal Power Station*

**\$41,025 Investigation Grant**

The City of Moorhead requested DEED funds to undertake contamination investigation efforts and prepare a Response Action Plan for this 4.87-acre site. Suspected contamination includes petroleum and other contaminants from previous energy production operations. Site plans include construction of 40 condominiums which would increase the city's tax base by \$106,120 annually.

City of Red Wing Port Authority – *Central Research Laboratories*

**\$37,050 Investigation Grant**

The City Red Wing Port Authority requested \$37,050 in DEED funds to investigate this 27.47-acre site, formerly used in manufacturing for the space, nuclear, hazardous waste, and pharmaceutical industries. Suspected contamination includes chemicals and solvents used in daily operations of the facility. Investigation funds will pay for Phase II investigation and RAP preparation. The new development includes plans for an industrial park and is expected to add 100 new full-time jobs, retain 60 full-time jobs and generate \$236,826 in new taxes.

City of Winsted – *City Center*

**\$5,625 Investigation Grant**

The City of Winsted requested \$5,625 in investigation funds for this .44-acre site formerly occupied by the city's fire department and public works departments. Suspected contamination is petroleum. The redevelopment plan includes construction of new offices and community rooms. The project will retain 11 jobs.

City of Worthington – *Campbell's Soup Company*

**\$30,000 Investigation Grant**

The City of Worthington requested \$30,000 in DEED funds to investigation this 6.3 acre site formerly used as a poultry processing plant, manufactured gas plant, gas station, and dry cleaner. The redevelopment includes plans for a city-owned community center/general purpose facility which would create one new job.