

METROPOLITAN COUNCIL LIVABLE COMMUNITIES TAX BASE REVITALIZATION ACCOUNT

CONTAMINATION INVESTIGATION GRANT APPLICATION GUIDE
2014



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Section 1: BACKGROUND AND PURPOSE

The Metropolitan Livable Communities Act (MN Statutes Chapter 473.252) created the Tax Base Revitalization Account (TBRA). The Tax Base Revitalization Account provides funds to investigate and clean up polluted land in areas that have lost commercial/industrial activity to make them available for economic redevelopment that enhances the tax base of the recipient municipality while promoting job retention or job growth and/or the production of affordable housing. Contamination cleanup site investigation grants are intended for applicants that have a redevelopment site with suspected or perceived contamination and are seeking public funding to assist with the cost of determining the scope and severity of the contamination and to develop a cleanup plan. The investigation grants are intended to encourage an early start to the environmental remediation process. TBRA contamination cleanup site investigation funds are awarded on a competitive basis to redevelopment projects that demonstrate strong potential for future cleanup and redevelopment starting in the year following a grant award.

The TBRA funds are raised by a legislatively authorized levy capped at \$5 million annually. The Contamination cleanup site investigation grants are offered at the same time as funding available for contamination cleanup. Up to \$125,000 is available for contamination cleanup site investigation applications this funding cycle. Applications will be accepted on May 1. The Account is coordinated with complementary programs at the Minnesota Pollution Control Agency (PCA), the Minnesota Department of Employment and Economic Development (DEED), Hennepin County and Ramsey County.

Section 2: ELIGIBLE APPLICANTS and QUALIFYING SITES

The following entities are eligible to apply: statutory or home rule charter cities or towns that are *participating in the Metropolitan Livable Communities Housing Incentives Program*. Metropolitan counties and local development authorities (e.g., Housing and Redevelopment Authority, Economic Development Authority or Port Authority) are also eligible to apply for projects that are located in LCA-participating communities. A site may be privately owned. If funding is requested for use on more than one site within a community, a separate application should be submitted for each investigation site.

Contamination site investigation applications will be determined ineligible for funding if an analysis of the proposal determines:

- a current private property owner or developer caused the property to be contaminated;
- no known or suspected environmental contamination is demonstrated;
- an analysis of the proposal determines the funding is not needed in order for the project to proceed;
- the application does not score at least 50% (30 points) of the total points available (60 points); or
- for asbestos or lead-based paint survey requests, if the building area is less than 10,000 gross square feet per structure.

Contamination site investigation applications may be determined ineligible for funding if:

- cleanup investigation funding is available from other public and private sources;

- any portion of a Project site is an active Superfund site that is scheduled for funding under the Federal Superfund Program in the current or following fiscal year at the date of the TBRA application
- the project requires extensive new regional infrastructure beyond that which is already planned; or
- the proposal is not consistent with the municipality's comprehensive plan (Minnesota Statutes §473.859, Subd. 5).

Section 3: ELIGIBLE and INELIGIBLE USE OF FUNDS

Eligible Uses:

TBRA contamination cleanup site investigation grants funds may be used for:

- conducting Phase I and Phase II environmental site assessments
- preparation of Response Action Plans (RAPs) developed in conjunction with the PCA for hazardous waste; or Development Response Action Plans (DRAPs) developed in conjunction with the PCA for petroleum; or
- preparing hazardous materials assessments
- preparing asbestos abatement plans that meet AHERA (Asbestos Hazard Emergency Response Act) and Minnesota Department of Health (MDH) standards; or
- preparing lead-based paint abatement plans that meet Minnesota Department of Health (MDH) standards and the Toxic Substances Control Act (TSCA).

Ineligible Uses:

- No investigation costs incurred prior to the date of a grant award will be eligible for consideration
- No contamination cleanup or abatement costs are eligible. (Applicants who have completed an environmental investigation and cleanup is necessary should apply to the Metropolitan Council's using the contamination cleanup grant category.)

Other ineligible costs

Also ineligible are "soft costs" such as administrative overhead, travel expenses, legal fees, bonds, insurance, permits, licenses or authorization fees, costs associated with preparing grant proposals or applications or bids, project coordination costs, operating expenses, planning costs, and prorated lease and salary costs.

More detail on eligible and ineligible costs is available on the Metropolitan Council website.

Section 4: OTHER REQUIREMENTS

Local Match Requirement

The applicant or other public or private partner must pay for at least 25 percent of the total estimated investigation costs as a local match. Matching costs may include eligible investigation activities incurred up to 180 days prior to the date of application.

Award Limits

The maximum cleanup site investigation award is \$50,000 per site. If requests for contamination cleanup and contamination site investigation grants combined exceed the available funds for an application cycle, no more than one-half of the funds may be granted to projects in a single city, and no more than three-quarters of the funds may be granted to projects located in cities of the first class (Minneapolis and Saint Paul).

Investigation Work Schedule

Environmental investigations must be completed before the expiration of the grant term. Investigation grants awarded for applications received will have a one-year grant term. No grant extensions will be considered. Projects that are awarded an investigation grant for soil or ground water investigations under review by the PCA VIC program are required to submit a sampling work plan to VIC for review and comment **prior** to submitting a RAP to the PCA.

Quality Site Assessments

For soil, ground water or soil vapor investigations, applicants must enroll in a PCA voluntary program and follow PCA investigation and RAP development guidelines to ensure the quality of site assessments and, if needed, in order to receive approval of the RAP by the PCA. RAP approval by the PCA is required for future applications for cleanup funding. For more information on the investigation and RAP development process contact staff in the Voluntary Investigation and Cleanup (VIC) program Petroleum Brownfields Program (PBP) at 651-296-6300. To review guidance documents regarding the investigation and RAP development process online see http://www.pca.state.mn.us/index.php?option=com_k2&view=item&layout=item&id=4305#guidance-for-brownfield-redevelopment-projects.

For hazardous materials assessments, applicants must use contractors currently licensed by the Minnesota Department of Health. Hazardous materials assessments must include information regarding the

- location, estimated quantity and condition of suspect ACM based on analysis of bulk samples and/or LBP based on analysis of bulk samples and/or XRF spectrometry
- Figures of samples identified on floor plans
- Classification of suspect ACM according to potential for damage, NESHAP categories, and response action ratings
- For asbestos samples with an asbestos concentration of 3 percent or less, a quantitative analysis, commonly referred to as a "point count" is required for the assessment costs to be reimbursed using grant funding.

Future TBRA cleanup requests for abatement are limited to asbestos and lead-based paint. Future cleanup reimbursement for other hazardous or regulated materials is not eligible.

Affordable Housing

Contamination cleanup site investigation grants are expected to demonstrate the potential for redevelopment. If the potential redevelopment includes an affordable housing component, for TBRA applications submitted in 2014, affordable housing is defined as ownership or rental housing affordable to households earning 60% of the area median income (AMI). Affordability limits for 2014 include any units for sale at \$166,000 or less. For 2014, the maximum gross rent affordable at the 60% level was based on the number of bedrooms as follows: efficiency \$872, 1-bedroom \$935, 2-bedrooms \$1,111, 3-bedrooms \$1,284, 4-bedrooms \$1,432 including tenant-paid utilities. **A minimum of 20% of the total housing units proposed must be affordable for a project to be considered for affordable housing points.**

Section 5: AWARDING GRANTS/COMPETITIVE PROCESS

The Livable Communities Act requires that the Metropolitan Council consider certain factors in order to ensure the highest return in public benefits for the public costs incurred. In order to evaluate applications, the following criteria will be assigned point values to compare each applicant's proposal against the others in the grant cycle. Upon review, **applicants must score at least 50% (30 points) of the total points available (60 points) in order to be eligible for grant funding.** Consultation with Council staff and external partners, including DEED the PCA, and others informs the process of evaluating the applications.

Applications for contamination cleanup site investigation grants will be evaluated according to the extent to which they address the following:

Evaluation Process	Points
Tax Base (5 points)	
Estimated increase to the tax base of the recipient municipality based on a project planned and/or committed to the site	5 points
Jobs and/or affordable housing (5 points):	
<ul style="list-style-type: none"> Potential to increase the number of new full-time equivalent jobs for the region Potential to retain existing jobs full-time equivalent jobs for the region Potential to add affordable rental or ownership housing units 	5 points
Brownfield clean up/environmental health improvements (15 points):	
Site to be investigated and ultimately cleaned up is one of the most contaminated sites and will provide the greatest improvement in the environment and the greatest reduction in human health risk compared to other cleanup-site investigation proposals	7 points
Cleanup plans will use green remediation practices	4 points
Applicant's track record of successful completion of cleanup of sites with prior Council-funded environmental investigations	4 points
Compact and Efficient Development (15 points):	
Show how the Investigation supports Metropolitan Development Guide goals by:	
<ul style="list-style-type: none"> Measuring anticipated density of the likely Project (Floor Area Ratio) 	5 points
<ul style="list-style-type: none"> Likelihood of potential development to increase the use of transit 	5 points

Evaluation Process	Points
<ul style="list-style-type: none"> Re-use of vacant or abandoned sites 	5 points
Readiness/Market demand (15 points)	
Demonstrate readiness to proceed with cleanup-site investigation	5 points
Demonstrate readiness to proceed with site cleanup	5 points
Demonstrate market demand for proposed redevelopment elements in the Project area and demonstrate readiness to promptly implement proposed project if/when TBRA funding is provided, including identifying a developer and any non-residential tenants	5 points
Partnership (5 points)	
Demonstrate any already established financial partnership. Points awarded for committing matching funds beyond minimum 25% match.	5 points
TOTAL	60 points

Section 6: LOCAL SUPPORT

Any proposal for funds under this program must include a resolution of support from the local unit of government within which the project is proposed. [**See example, Attachment B**]

Section 7: REPORTING REQUIREMENTS

Recipients of Tax Base Revitalization Account grants must submit semiannual progress reports for active grants. At the end of the grant term, contamination site investigation grant award recipients must also submit a copy of the environmental investigation documents and approval of the response action plan by the PCA VIC and/or PBP programs.

Section 8: PROCEDURES

The application form is available online at <http://metro council.org/Communities/Services/Livable-Communities-Grants/WebGrantsInfo.aspx?source=child>^[m1].

Select the WebGrants link to log in. Next, select the link to the funding opportunity with the title '2014 TBRA Site Investigation – Spring Round'. Contact the TBRA coordinator at 651-602-1054 if you have questions.

This Notice of Funding Availability is subject to applicable federal, state, and municipal laws, rules and regulations. The Metropolitan Council reserves the right to modify or withdraw this RFP at any time.

Grant Agreements

For projects that are awarded funding, a public representative for each project must attend a grantee orientation session to receive the grant agreement documents.

Application Images

Applicants consent to reproduction or reuse of images submitted as part of a grant application by the Metropolitan Council unless each image is expressly marked as 'confidential'.

Section 9: APPLICATION FORMAT

The Metropolitan Council is implementing a new online grants management system called “WebGrants,” which will handle all grant applications, application reviews, funds disbursement and data management across the Council. Training sessions and information will be made available to all potential applicants and their partners.

To access the online application form go to

<http://metro council.org/Communities/Services/Livable-Communities-Grants/WebGrantsInfo.aspx?source=child>

An online WebGrant application information and attachments must be submitted by the grant application deadline (May 1, 2014) by 5:00 PM. Attachments submitted with a completed application form should recognize text (either through a file conversion or use of optical character recognition (OCR)), allow text searches and include bookmarks to each of the application sections and application attachments.

Using WebGrants Online Application Forms

For information on using WebGrants see the **WebGrants Manual** located at <http://metro council.org/Communities/Services/Livable-Communities-Grants/WebGrantsInfo.aspx>.

Information is provided on

- user registration
- security
- selecting a funding opportunity
- the user interface

and other topics to help you get started and familiarize you with using the online form.

Using Make-a-Map

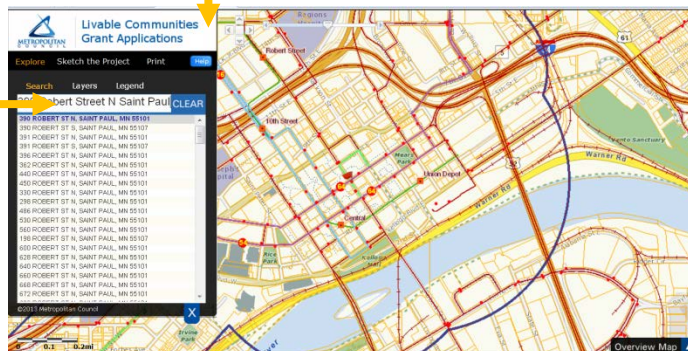
Livable Communities is excited to announce the release of an updated Make-a-Map tool, which has been customized for LCA Grants. To access Make-a-Map, follow this link:

<http://giswebsite.metc.state.mn.us/publicmaps/lca>

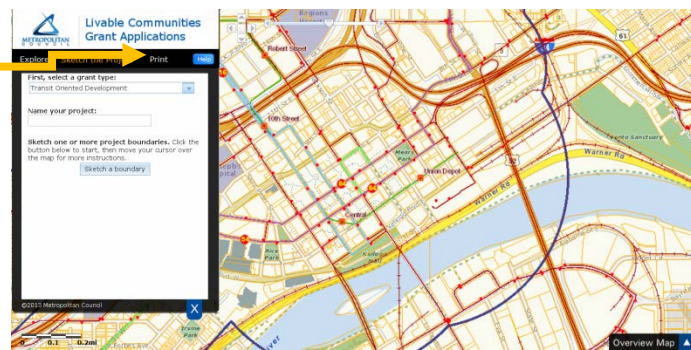
How Create the Required Maps

For more detailed instructions, click the blue “help” button

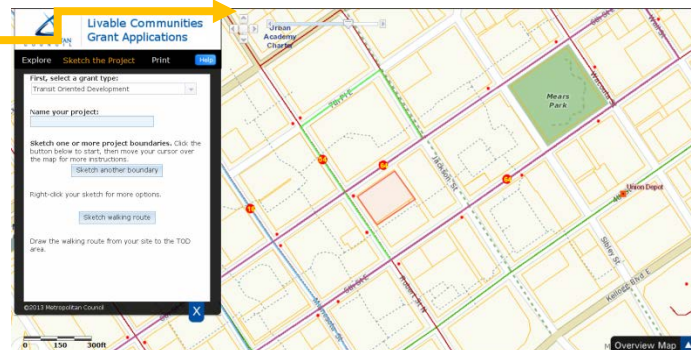
Enter an address or landmark in the search bar to navigate to your project area.



Click “Sketch the Project” and select the appropriate grant category, Tax Base Revitalization Account. Provide a name for your project. (This name will appear at the top of the map once the map is created.)

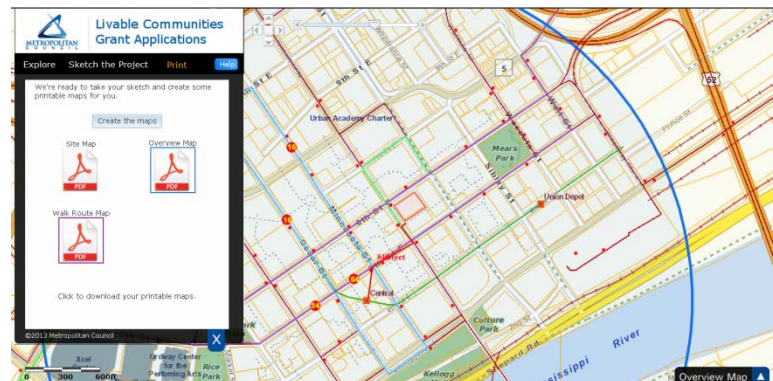


You may use the zoom and pan buttons to navigate to your project site. Click “Sketch a Boundary” and, using the crosshair as a guide, draw the project boundary. A gray polygon with a red outline will begin to appear. Once you have finished outlining the boundary, double click to close the polygon. If there are multiple, non-contiguous parcels that are part of your Project, you have the option of sketching another boundary.



Select “Print” and “Create the maps”. The system will generate 2 maps. (Please be patient – depending on your connection, it can take up to 1 minute to generate the maps.)

Click each PDF to download them separately. Rename the files : “Aerial – [Project Name]”, Aerial 2 –[Project Name] and “Site Map – [Project Name]”.



Attachment A – SAMPLE SITE INVESTIGATION & REMEDIATION PLAN DEVELOPMENT BUDGET

Tax Base Revitalization Account

PROPOSED PROJECT BUDGET FOR BLOCK "Z" SITE

____City____, MN

I. USES

A. Phase I environmental site assessment (Complete, March).....	\$2,500
B. Hazardous Materials Survey* (0% Complete)	\$3,000
C. Phase II environmental site assessment* (0% Complete).....	\$35,000
mobilization/demobilization	\$
# of soil samples.....	\$
# ground water samples	\$
# soil vapor samples.....	\$
# of test pits.....	\$
# total field hours at \$_/hour	\$
equipment/supplies.....	\$
report preparation	\$
D. Preparation of RAP* (0% Complete).....	\$18,000
E. MPCA _hours at \$125/hour	\$
Total	\$58,500

II. SOURCES

A. TBRA (75 % of eligible project budget)/ Pending [Date]	\$42,000
B. Property Owner (previously incurred costs)	\$2,500
C. Developer (25% match)	\$14,000
Total	\$58,500

Attachment B - SAMPLE CITY RESOLUTION - Tax Base Revitalization Account

RESOLUTION NO. _____

CITY OF _____, MINNESOTA

AUTHORIZING APPLICATION FOR THE TAX BASE REVITALIZATION ACCOUNT

WHEREAS the City of _____ is a participant in the Livable Communities Act's Local Housing Incentives Account Program for 2014 as determined by the Metropolitan Council, and is therefore eligible to make application apply for funds under the Tax Base Revitalization Account; and

WHEREAS the City has identified a contamination investigation project within the City that meet the Tax Base Revitalization Account's purposes and criteria and are consistent with and promote the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council's adopted metropolitan development guide; and

WHEREAS the City has the institutional, managerial and financial capability to ensure adequate project and grant administration; and

WHEREAS the City certifies that it will comply with all applicable laws and regulations as stated in the contract grant agreements; and

WHEREAS the City finds that the required contamination cleanup will not occur through private or other public investment within the reasonably foreseeable future without Tax Base Revitalization Account grant funding; and

WHEREAS the City represents that it has undertaken reasonable and good faith efforts to procure funding for the activities for which Livable Communities Act Tax Base Revitalization Account funding is sought but was not able to find or secure from other sources funding that is necessary for completion of the investigation and states that this representation is based on the following reasons and supporting facts:

BE IT FURTHER RESOLVED that, the City Council of _____ authorizes _____ to submit an application for Metropolitan Council Tax Base Revitalization Account grant funds and, if the City is awarded a Tax Base Revitalization Account grant for this project, the City will be the grantee and agrees to act as legal sponsor to administer and be responsible for grant funds expended for the project contained in the Tax Base Revitalization grant application submitted on May 1, 2014.

Mayor

Clerk

Attachment C - Application Checklist

Applications are due by 5:00 PM on application due date (May 1, 2014). All application forms and attachments must be submitted using WebGrants. (The attachments should recognize text (either through a file conversion or use of optical character recognition (OCR)) and allow text searches.)

TBRA Contamination Investigation Application Contents:

- ☐ 2014 TBRA Site Investigation – Spring Round (WebGrants Online Form)

Application Attachments

- ☐ Legal Description of Site
- ☐ Maps (include project boundary)
 - ☐ Site Location Map using LCA Make-a-Map
 - ☐ Aerial Map #1 of Site using LCA Make-a-Map
 - ☐ Aerial Map #2 of Site using LCA Make-a-Map
 - ☐ Planned Land Use Map from city comprehensive plan
 - ☐ Site Plan Map
- ☐ Project Images and Figures
 - ☐ Current Conditions (Include image(s) of building interiors for abatement requests.)
 - ☐ Proposed Development (e.g., CAD images, elevations, renderings, etc.)
- ☐ Sources and Uses for Proposed Investigation
- ☐ Resolution from municipal applicant (Appendix B) authorizing TBRA application submission
- ☐ Prior Environmental Reports, if available (*In PDF format.*) For example: Phase I ESA, Asbestos Survey, Limited Site Investigation, etc.