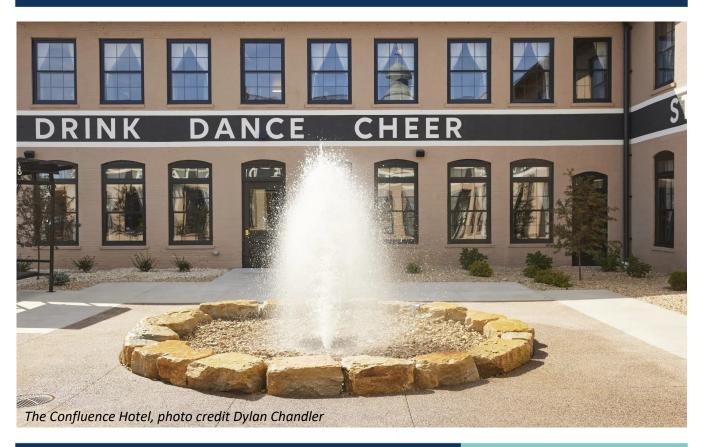
April 2024

MPCA Brownfield Program 2023 Annual Report

Special features: Community Outreach & Engagement Unit, PFAS update, EQuIS update, and climate resiliency







Introduction

A "brownfield" is any property that is abandoned or under-used due to the known or likely presence of contamination.

Brownfields are located in cities and towns all across Minnesota. Whether it's a deserted railroad depot, a closed factory, a former drycleaner, or an abandoned gas station, brownfields offer both a challenge and an opportunity for local communities and developers. The Minnesota Pollution Control Agency's (MPCA) Brownfield Program was created to help overcome the environmental and legal barriers that impede the redevelopment of these properties. To learn more about the importance of cleaning up contaminated properties for reuse, see Minnesota Brownfield's Benefits of Cleanup and Redevelopment webpage.

The MPCA Brownfield Program is a fee-for-service program that provides technical assistance and various liability assurance letters to promote the investigation, cleanup, and redevelopment of property that is contaminated with petroleum and/or hazardous substances. The assurance letters provide liability protection for property developers and environmental closure for identified contamination. Customers include property owners, prospective purchasers, developers, development agencies, lending institutions, non-profit organizations, and local units of government. Information about the types of letters offered by the Brownfield Program can be found on the <u>Brownfield Program</u> <u>Services</u> guidance document.

The MPCA Brownfield Program consists of two integrated programs, the Petroleum Brownfield Program that handles petroleum contamination under the Petroleum Tank Release Cleanup Act (Minn. Stat. § 115C), and the Voluntary Investigation and Cleanup (VIC) Program that handles hazardous substance contamination under Minnesota's Environmental Response and Liability Act (Minn. Stat. § 115B).

Image (right) - Artwork in the Timber and Tie Apartments. The site has a long history of commercial/industrial use including lumber yards, fuel storage companies, and a

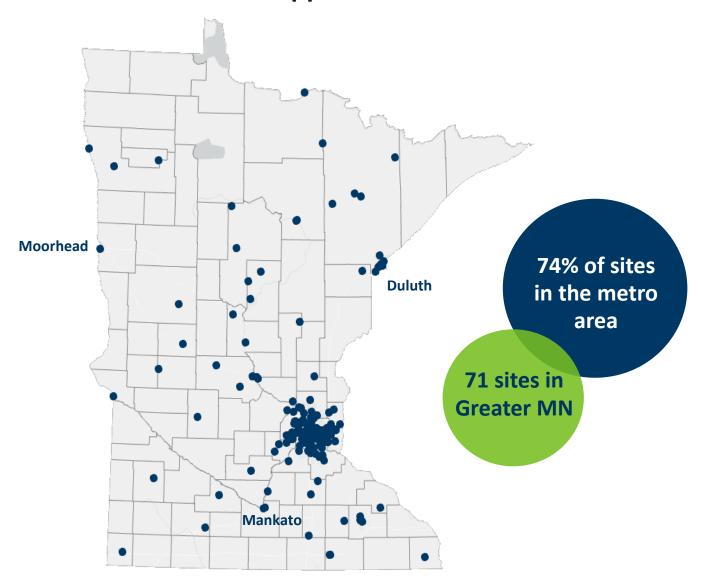
freight transfer company. Impacted soil was removed and vapor mitigation systems were installed in the new buildings. The apartments bring affordable housing to the thriving Northeast Minneapolis neighborhood. In addition to housing, a separate studio building was designed for industrial style art creation such as welding and glass blowing. Photo credit: Schafer Richardson.

MPCA MISSION

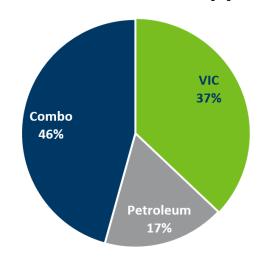
Protect and improve the environment and enhance human health.



2023 new brownfield applications statewide



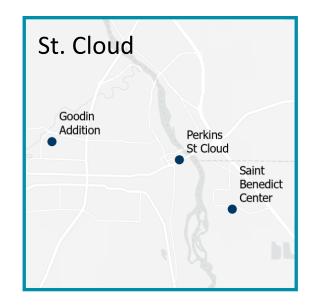
2023 new brownfield applications by subprogram



VIC only	103
Petroleum only	48
Combo	127
Total	278

2023 brownfield applications in Greater Minnesota





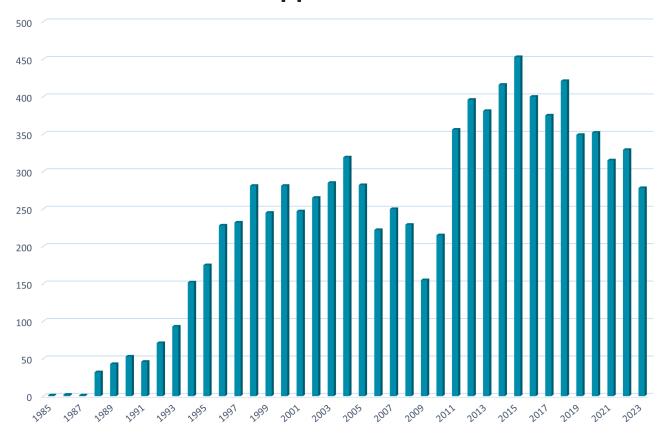








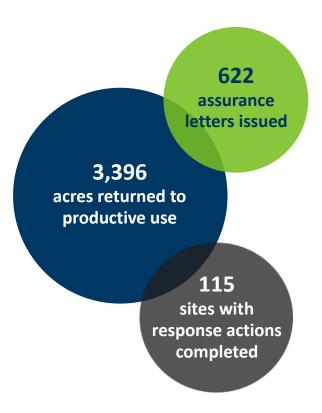
Annual brownfield site applications





The Nordeast Business Center was once home to a linseed oil facility that operated at the site for over 40 years. Cleanup consisted of removing impacted soil intermixed with debris. The site received DEED Contamination Cleanup grant funding. The redevelopment created 60 new jobs and increased the tax base by \$515,000. The revitalized site now contains a 131,000 square-foot commercial warehouse and office building located in the Northeast Minneapolis neighborhood. *Photo credit: Opus Group.*

Metrics for 2023



Cost recovery

As per statute, parties requesting assistance from the MPCA's Brownfield Program are required to pay the agency for the cost of providing assistance. The current fee is \$150/hour. Brownfield Program staff track the time they spend doing site work, including the time to review reports and correspondence, provide guidance and technical assistance, and issue requested assurance letters.

As shown in the table below, the Voluntary Investigation and Cleanup (VIC) Program invoiced \$570,976 in 2023, and the Petroleum Brownfields Program (PBP) invoiced \$355,125. The average cost recovery rate for the Brownfield Program for the previous four calendar years (2019 through 2022) is 99.8%. The cost recovery rate is always temporarily low for the current reporting year (2023), as payments are still being received for invoices sent late in the reporting period. As additional payments are received for site work completed in 2023, the collection rate will increase to be consistent with that of previous years.

	VIC		PBP			
Year	Total billed	Amount paid	Collection rate	Total billed	Amount paid	Collection rate
2019	\$669,656	\$657,927	98.3%	\$377,344	\$375,362	99.5%
2020	\$702,250	\$699,625	99.6%	\$421,250	\$421,339	100%
2021	\$607,413	\$601,766	99.1%	\$334,182	\$333,501	99.8%
2022	\$737,477	\$731,107	99.1%	\$434,513	\$434,002	99.9%
2023	\$570,976	\$543,788	95.2%	\$355,125	\$341,625	96.2%

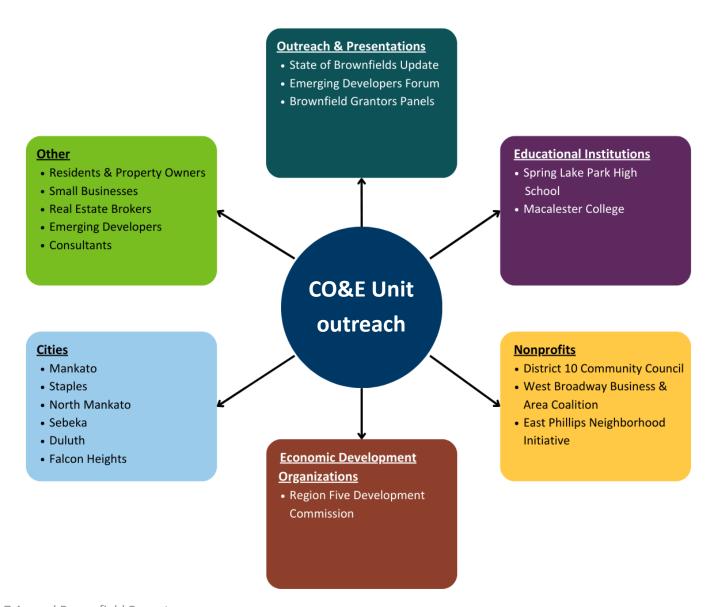
Brownfields and climate resiliency

Changing climate conditions pose challenges for safe, long-term planning and redevelopment of brownfield properties. All populations will be affected by climate change, however, vulnerable populations such as children, elderly, and low-income communities of color and tribal communities will be disproportionately affected. The United States Environmental Protection Agency (US EPA) has created a <u>Climate Smart Brownfields Manual</u> to help create development plans that encompass climate resiliency and minimize climate impacts. The manual includes guidance for all stages of the brownfield process including: planning for resilient brownfield redevelopment; conducting greener environmental site assessments, demolition, and cleanup; and redevelopment for climate resiliency. The MPCA encourages utilizing the new manual to incorporate features that support climate resiliency as a part of site redevelopment and cleanup plans.

Community Outreach and Engagement Unit

In 2023, a new unit was created in the Brownfield Section to complement and support the work of the PBP and VIC units, focused on expanding and deepening outreach to neighborhood groups, local units of government, tribal nations, and underserved communities in areas of concern for environmental justice. The Brownfields Community Outreach and Engagement unit includes a supervisor, two planners and a data analyst supporting the EQuIS program.

The Community Outreach and Engagement Unit (CO&E Unit) represents the Brownfield Program at community events and through direct outreach, by explaining the role of addressing legacy environmental issues in community development, describing the services that the Brownfield Program can provide, and connecting potential sites to investigation and cleanup funding sources, including assessment funding through the MPCA. Part of the Unit's focus is making MPCA brownfields resources more accessible and easier to navigate, including simplifying grant applications and creating explainers to market funding and technical assistance.



Community Outreach and Engagement Unit - continued



Image (left) - Representatives from the Community Outreach and Engagement Unit at the Minneapolis Community Connections Conference.

Electronic data submittals for brownfield sites

This past November, the MPCA's Brownfield Program began requiring electronic submittals for field and analytical data. The Brownfield Program joins the other Remediation programs in requiring electronic submittal of environmental data, along with many other MPCA programs that have required it for several years. Much of the electronic data submitted by environmental contractors is made available to the public through MPCA's web applications, such as the <u>Minnesota Groundwater Contamination Atlas</u> and the <u>Groundwater EDA</u>. A data portal for more efficient submittal and processing of electronic data submittals will be operational in spring 2024.

MPCA staff held several training sessions in fall 2023, and now electronic data for brownfield sites is submitted on a regular basis. MPCA staff will continue to work with consultants by hosting training sessions and working with individuals to ensure a smooth transition to submitting data electronically. For more information about the electronic data submittal requirements, visit our website. Questions can be directed to remequis.mpca@state.mn.us. This email inbox is monitored by our Remediation Division EQuIS team, which includes Victor Henao, Binod Rai, and Dave Moore.

For us to obtain the best-quality data and make it easily accessible to the public, electronic data collection is crucial. Play the <u>Data Journey</u> video to learn the importance of electronic data.



Brownfields and PFAS update

The Remediation Division's per-and polyfluoroalkyl substances (PFAS) guidance is anticipated to be posted on the MPCA's website by the end of March 2024. The guidance includes a section specific to brownfields, which answers commonly asked questions about PFAS as they relate to investigations and assurance letters at brownfield sites. The guidance was developed in coordination with an external stakeholder group and also had a 30-day comment period to collect feedback from a broader audience.

However, since development of the guidance, Minnesota's soil and groundwater risk-based values for PFOS and PFOA have changed. Of most interest to the brownfield community are the MPCA's updated soil reference values (SRV) for PFOS and PFOA. Based on currently available information from other states about ambient background concentrations in soil, the following general statements can be made:

- The 2024 SRVs for PFOS appear to remain above ambient background levels in soil. Development of a background threshold value for PFOS is not needed at this time.
- The 2024 SRVs for PFOA are likely below ambient background levels in soil at some sites. The MPCA
 has requested funding from the state legislature to conduct an ambient background soil study of
 PFAS in Minnesota. Until such time that a Minnesota background threshold value for PFOA can be
 developed, the MPCA Brownfield Program is adopting an interim background threshold value for
 PFOA, based on ambient background data from other states.

The following table provides a summary of the new SRVs for PFOS and PFOA, compared to a range of ambient background soil concentrations from other states and the Brownfield Program's interim background threshold value for PFOA.

Parameter	SRV Type	2024 SRV (mg/kg)	Range of background concentrations* (mg/kg)	Brownfield Program Interim BTV** (mg/kg)
PFOS	Residential	0.013	0.00029 - 0.0034	NA
PFOS	Commercial/Industrial	0.18	0.00029 - 0.0034	INA
PFOA	Residential	0.00036	0.00016 - 0.0064	0.002
PFOA	Commercial/Industrial	0.002	0.00016 - 0.0064	0.002

^{*} Based on Table 13 of MPCA technical memo: PFAS ambient background concentrations

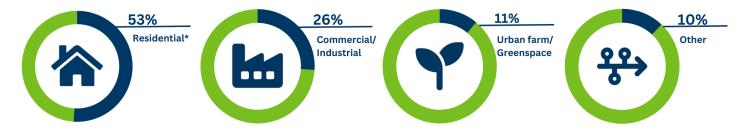
^{**} Represents an average of BTVs from other states (Vermont, Maine, New Hampshire) that have conducted PFAS ambient background soil surveys. Refer to the PFAS ambient background concentrations memo for more information.

MPCA funding for brownfield projects

The MPCA has two grants from the U.S. Environmental Protection Agency (EPA) to promote brownfield redevelopment in Minnesota, as described below. Grant funds can be used to pay for Phase I and Phase II Environmental Site Assessments, hazardous building material surveys, preparation of cleanup plans, community engagement for reuse planning, and Brownfield Program fees for MPCA review and oversight. Assessment work is completed by MPCA contractors at no cost to grant recipients. Applications are accepted on a rolling basis. For more information and an application form, see the MPCA's <u>Brownfield assessment grants</u> webpage.

In 2023, the Brownfield Program shortened our grant application to a concise two-page format to reduce jargon and ensure a smoother application process. We also created a guidelines document to summarize all of the key details related to the MPCA's Brownfield Assessment Grant to help explain the program. This resource will be especially useful for first-time grant applicants and newer developers. If you have questions or require assistance, contact the Brownfield Grants Team at brownfieldgrants.mpca@state.mn.us or call our new Brownfield Grants hotline 651-757-2904. Many MPCA grant sites also receive grant funding from partners such as Minnesota Department of Employment and Economic Development (DEED), Metropolitan Council, and counties.

Funded sites in 2023 by project end use:



^{*}Residential consists of 40% mixed-use commercial/residential apartment buildings. Approximately 40% of the residential developments have an affordable housing component.

Community-wide Assessment Grant for States and Tribes (104k Grant)

The MPCA's Brownfield Program applied for competitive grant funds made possible by the Infrastructure Investment and Jobs Act (aka Bipartisan Infrastructure Law) and was awarded a \$2 million Community-Wide Assessment Grant by the EPA in 2022. The grant funds are being used at brownfield sites in areas of concern for environmental justice, for projects that have community support, and avoid gentrification of the neighborhood. The grant has a performance period of up to five years, although at the end of 2023, approximately 67% of this grant has been allocated. In 2023, the Brownfield Program funded environmental investigations at 25 sites, in our four target areas (West Broadway Avenue Corridor, University Avenue Corridor, Lake Street Corridor, and the City of Cass Lake) and in other areas of the state. See the table below for more information about all brownfield grant sites funded in 2023.

Targeted Brownfield Assessment Program (Section 128a Grant)

The MPCA's Targeted Brownfield Assessment (TBA) Program is funded by an annual grant from EPA, made available through federal brownfields legislation. In 2023, the MPCA's Targeted Brownfield Assessment grant program provided approximately \$311,400 dollars to assist with environmental assessments at brownfield sites in Minnesota. The source of this funding comes from the EPA through Section 128a funds, a pot of money that was notably larger in 2023 due to additional funds made available by the Bipartisan Infrastructure Law.

The MPCA favors applications that promote brownfield redevelopment projects located in small communities in greater Minnesota or environmental justice areas, or those that support non-profit organizations or create community greenspace. Since the program's inception in 2003, the MPCA's TBA Program has paid for environmental investigations at 95 sites, with 69 of those sites located in environmental justice areas.

The Brownfield Program's Targeted Brownfield Assessment (128a) and Environmental Justice (104k) grant projects that received funding in 2023 are summarized in the table below, which continues onto the next page.

Project Name	Project ID	Location	Redevelopment
750 Linder Ave	BF0002667	Mankato	Homeless shelter/supportive housing
Ag Partners - Plainview North	BF0002526	Plainview	TBD
Ag Partners - Plainview South	BF0002527	Plainview	Industrial
Anderson Trucking Facility	BF0001679	St. Cloud	Residential
Baker Court	BF0002658	St. Paul	Mixed commercial/residential
Bayfront Lot D	BF0000593	Duluth	Mixed commercial/residential
Bois Forte Sawmill	BF0002410	Nett Lake	TBD
Buffalo Lake Advanced Biofuels	BF0002355	Buffalo Lake	TBD
Bush & Cypress	BF0002415	St. Paul	Affordable housing
Cambridge Launderers & Cleaners	BF0002444	Cambridge	Mixed commercial/residential
Center Mart	BF0002356	Centerville	Commercial
Children's Museum Mankato	VP29970	Mankato	Museum
City Food Chicago	BF0002394	Minneapolis	Commercial
Clare Terrace	BF0002534	Robbinsdale	Multi-family residential
Clinton Place Addition	BF0001563	Duluth	Affordable housing
Como Community Garden	BF0002641	St. Paul	Community garden
COPAL-LCCE	BF0002532	Minneapolis	Latino Center for Civic Engagement
Court Ave High School	BF0002671	Gaylord	Residential
Cross City Trail Irving	BF0002448	Duluth	Recreational trail

Project Name	Project ID	Location	Redevelopment
Ellendale Vacant Lot	BF0002587	Ellendale	Multi-family residential
Emerson Townhomes	BF0002533	Minneapolis	Mixed commercial/residential
Evergreen Industries	BF0002551	Cass Lake	TBD
Former Blazing Star	BF0002134	Albert Lea	Affordable housing
Former Smith EZ Stop	BF0001462	St. Paul	Community art space
Irving Infill Housing	BF0001330	Duluth	Residential
It Starts with Luv	BF0002592	Minneapolis	Daycare/learning center
Juxtaposition Arts Campus	BF0001649	Minneapolis	Youth art education center
Lady Slipper Lot	BF0002375	St. Cloud	Affordable housing
Lake Street Housing Phase 2	BF0001257	Minneapolis	Affordable housing
Lake Street Housing Phase 3	BF0001258	Minneapolis	Affordable housing
LERA Innovation Hub	BF0002357	Minneapolis	Urban garden facility
Lyndale Green Leaf	BF0002374	Minneapolis	Commercial
Marshall Avenue Flats	BF0002628	St. Paul	Affordable housing
Melrose River View Addition	BF0000229	Melrose	Residential
Merrick Main St	BF0002136	Albert Lea	Regional bike trail
Merrick's Facility (Adams Ave)	BF0002135	Albert Lea	Regional bike trail
Minnehaha Flats	BF0002525	Minneapolis	Apartment building
Morstad Dump	BF0002414	Forest Lake	TBD
Nokomis Service Center	BF0002613	Minneapolis	Multi-family residential
Outlot A Sibley Parkway	BF0001780	Mankato	Affordable housing
Pillsbury Creative Commons	BF0002647	Minneapolis	Commercial/Community radio station
Prior Works	BF0002382	St. Paul	Commercial
R & R Repair	BF0002552	Cass Lake	Mixed commercial/residential
Red Lake Nation College	BF0002400	Minneapolis	Tribal college, Minneapolis campus
Rice Street Crossings	BF0001807	Shoreview	Mixed commercial/residential
Roof Depot	BF0002550	Minneapolis	Indoor urban garden, retail
Sacred Heart Building	BF0001811	Sacred Heart	TBD
Schiff Properties	BF0002564	Minneapolis	Warehouse
Shake Cleaners	BF0002668	Minneapolis	Mixed commercial/residential
Snelling Grocery Store	BF0002589	St. Paul	Commercial
Snelling Yards	BF0000706	Minneapolis	Affordable housing/senior apartments
SPIN Front Ave	BF0002137	St. Paul	Affordable housing
The Resolute	BF0002385	Minneapolis	Mixed commercial/residential
The Zaria	BF0002627	Minneapolis	Affordable housing
Viva Apartments	BF0002648	Minneapolis	Mixed commercial/residential
Western Graphics	BF0002484	St. Paul	YMCA youth center
Wilder Square Coop	VP32180	St. Paul	Multi-family affordable housing

Environmental justice areas and MPCA grant sites

Environmental justice areas are defined by census tracts that meet one or more of the following criteria: at least 35% of people reported income less than 200% of the federal poverty level; 40% or more people of color; at least 40% of people have limited English proficiency; and federally recognized tribal areas. Data are from the US Census Bureau. For more information about environmental justice areas in Minnesota and interactive maps, see the MPCA's Environmental Justice webpage. The map below shows all grant sites funded since the MPCA grant 95 program inception in 2003. **TBA** grant 29 sites 104k grant sites **79%** in EJ areas Minneapolis Environmental justice area Grant site

Case studies

These illustrate a few of the different types of sites that enter the Brownfield Program. Categories include greenspace, industrial, residential, and community projects. All of the selected sites completed redevelopment in 2023 or in recent years. For more case studies see our new interactive StoryMap on our <u>Brownfield redevelopment</u> webpage.

Juxtaposition Arts expansion — Minneapolis

Youth art education center

Juxtaposition Arts is a non-profit youth art and design education center, gallery, retail shop, and artists' studio space in North Minneapolis. The site had been developed for a variety of residential and commercial uses since the late 1800s, including a dry cleaner that contributed to soil and soil vapor impacts at the site. Cleanup included soil hotspot removal, creation of clean soil buffers, and vapor mitigation. The expansion project included renovation of the existing buildings on the western portion of the site and demolition of buildings on the eastern portion of the site to make way for a new, 3-story arts center. The revamped campus features dedicated learning and production studios and a public gallery where program participants can display and sell their work. The new campus will also include retail space for long-term lease, meeting rooms, and indoor and outdoor event space for Juxtaposition and community use.



Before demolition/ expansion. Provided by Juxtaposition Arts



After expansion. Photo credit: Morgan Sheff Photography

Case studies

Amber Union — Falcon Heights

Historic building restoration



The site consists of two Art Deco buildings constructed in 1946 which are connected by a second-level skyway and an underground tunnel. The buildings have been used for a variety of commercial purposes including office space, auto repair, gas filling station, and printing business. Site investigations identified hazardous building materials from the 1940s, and soil and soil vapor impacts. Cleanup included building abatement, soil disposal, and vapor mitigation. The revitalized Amber Union Apartments consist of 125 units, with over 30 larger units helping to provide affordable housing to families. The site also received DEED cleanup grant funding to help with the restoration.

Building after restoration. Photo credit: SpaceCrafting Photography

Confluence Hotel — Hastings

Boutique hotel, apartment, and commercial space

The former H.D. Hudson building was constructed in the early 1900s and used to manufacture agricultural sprayers for nearly a century. The City acquired the property in 2010 as part of its vision for downtown Hastings and spent several years of planning and investigations/cleanup to make the project feasible. As a part of the site transformation, various soil hot spots were identified and removed and a vapor mitigation system was installed. Portions of the building were demolished, and the remainder underwent extensive renovations including hazardous materials abatement. The 100,000-square-foot building now includes apartments, community events space, restaurants, and a riverfront landing connecting a nearby regional trail to a future transit corridor.



Before redevelopment. Photo credit: The City of Hastings



After redevelopment. Photo credit: Dylan Chandler

Partnerships

A successful brownfield redevelopment project depends on many partners working together to navigate the environmental, legal, and financial challenges that arise when transforming a blighted property into a community resource. The MPCA Brownfield Program strives to develop strong partnerships with program applicants and organizations that support brownfield redevelopment work in Minnesota. Key partnerships include *Minnesota Brownfields*, a 501 (c) (3) non-profit organization which is dedicated to promoting the efficient cleanup and reuse of contaminated land through education and research. MPCA staff are frequent speakers at Minnesota Brownfield forums, where topics are often chosen to coincide with current MPCA initiatives. Minnesota Brownfields also serves as an effective and efficient way for the MPCA's Brownfield Program to seek feedback when developing new guidance on topics of importance to Minnesota's brownfield community. The MPCA Brownfield Program partners with the Minnesota Department of Employment and **Economic Development (DEED)** and the **Metropolitan Council** by providing technical support and review of applications submitted to their contamination investigation and cleanup grant programs. On redevelopment projects where the community has questions about risk to public health, the MPCA's Brownfield Program works with the Minnesota Department of Health to resolve concerns. The MPCA's Brownfield Program coordinates with the Minnesota Department of Agriculture if a brownfield redevelopment site also contains a release of agricultural chemicals. The U.S. Environmental Protection **Agency** provides valuable financial support to MPCA's Brownfield Program through federal grants that help pay for program operational expenses and investigation grants administered by the MPCA.

MPCA Brownfield staff

For more information about the MPCA Brownfield Program, visit our <u>Brownfield redevelopment</u> webpage.

Ebertz, Jessie (Section Manager)	651-757-2328	jessica.ebertz@state.mn.us
Kromar, Karen (Program Administrator)	651-757-2508	karen.kromar@state.mn.us

Voluntary Investigation Cleanup (VIC) Program

Hadiaris, Amy (Supervisor)	651-757-2402	amy.hadiaris@state.mn.us
Hong, Elisa (Youmi)	651-757-2597	elisa.hong@state.mn.us
Guertin, Amanda	651-757-2369	amanda.guertin@state.mn.us
Knight, David	651-757-2857	david.knight@state.mn.us
Nichols, Andrew	651-757-2612	andrew.nichols@state.mn.us
Reinders, Joseph	651-757-2422	joseph.reinders@state.mn.us
Ryser, Rebecca	651-757-2015	rebecca.ryser@state.mn.us
Schmitt, Shanna	651-757-2697	shanna.schmitt@state.mn.us
Smokovitz, Jacob	651-757-2321	jacob.smokovitz@state.mn.us

Petroleum Brownfields Program (PBP)

VanPatten, Stacey (Supervisor)	651-757-2425	stacey.vanpatten@state.mn.us
Crawford, Alana	651-757-2691	alana.crawford@state.mn.us
Hammond, Jayme	651-757-2615	jayme.hammond@state.mn.us
Henao, Victor	651-757-2204	victor.henao@state.mn.us
Johnson, Holly	651-757-2124	holly.e.johnson@state.mn.us
Koplitz, Mark	651-757-2502	mark.koplitz@state.mn.us
Krueger, Chuck	651-757-2077	chuck.krueger@state.mn.us
Umholtz, Mark	651-757-2308	mark.umholtz@state.mn.us

MPCA Brownfield staff—continued

Community Outreach and Engagement Unit

Faust, Martha (Supervisor)	651-757-2275	martha.faust@state.mn.us
Martin, Shannon	651-757-2874	shannon.martin@state.mn.us
Mogenson, Crystal	651-757-2283	crystal.mogensen@state.mn.us
Rai, Binod	651-757-2343	binod.rai@state.mn.us



Anishinabe III supportive housing in the Ventura Village neighborhood of Minneapolis is the third development on the property and shows a strong culturally influenced design. This brownfield site was a collaborative effort between Project for Pride in Living and the American Indian Community Development Corporation (AICDC). The apartments provide housing for Indigenous peoples that are homeless and struggle with substance abuse. *Photo credit: AICDC*.