

City of Duluth  
Don Ness, Mayor

R05-14-A-054

411 West First Street • Room 403 • Duluth, Minnesota • 55802-1199  
218-730-5230 • Fax: 218-730-5904 • Email: [dness@duluthmn.gov](mailto:dness@duluthmn.gov) • [www.duluthmn.gov](http://www.duluthmn.gov)

An Equal Opportunity Employer

January 22, 2014

U.S. EPA Brownfields Program  
c/o Environmental Management Support, Inc.  
8601 Georgia Avenue, Suite 500  
Silver Spring, MD 20910  
310-589-5318

**RE:** FY14 Community-Wide Assessment Grant Application for the City of Duluth, Minnesota

Dear U.S. EPA Brownfield Program:

The City of Duluth is pleased to submit this application for a \$400,000 Brownfield Assessment Grant for hazardous substances and petroleum. With these funds, the City proposes to conduct environmental site assessments and cleanup planning for brownfield properties within the St. Louis River Corridor, with special focus on the Lincoln Park, Gary New Duluth, Morgan Park and Western Port Area Neighborhoods within the corridor.

Duluth is located at the western tip of Lake Superior and along the St. Louis River Estuary (the world's largest fresh water estuary) in northeastern Minnesota. The St. Louis River Corridor extends from downtown to the far western end of our 28-mile long city. It is not surprising that Duluth has brownfield legacy issues to address. Our historic economic base revolved around our access to Great Lakes shipping and linked rail transport, associated with mining, timber and heavy manufacturing. Many of these industries experienced a significant decline several decades ago. Major industrial employers, primarily located in the Corridor, closed their Duluth operations, taking jobs and leaving behind acres of blighted property.

I am proud to point to the economic growth and revitalization of Duluth over the past 20 years. Duluth has methodically worked toward reinvigorating the City's economic base and the health of its neighborhoods. The City strengthened its economic base by rehabilitating the lakeshore, expanding trail networks, and bolstering the economic sectors of higher education, tourism (we welcome 3.5 million tourist visitors each year, and were named the second-best Adventure Hub in the world by Outdoor Magazine in 2013), health care, high-tech manufacturing—with an emphasis upon aviation, and light industry. The strategy has worked, but this success has not come easily: the City has strategically triaged its neighborhoods, focusing on one area at a time in a city-revitalization chess game.

City-wide, we are facing a challenge that requires our absolute focus: a severe lack of market-rate, workforce housing. Duluth has, at any given time, one thousand job openings. Employers report that the major obstacle in recruiting talent to our city is that lack of market-rate housing. One strategy to meet this challenge is the identification--and environmental assessment--of infill sites for housing redevelopment.

The City now turns its attention to the St. Louis River Corridor, Corridor, in the western half of the city, which has been largely bypassed by the City's economic rebound. The Corridor is the key focus of the City's economic development, housing stock, and open space goals, it offers important catalyst sites, river access, and unique green/wild space amenities. In fostering our ongoing economic growth, we must grapple with the brownfield sites that possess the potential for buildable industrial sites and market-rate workforce housing, and we must do so in harmony

with our unique green spaces and our precious water resources. The 500-year flood that ravaged our community in June 2012 illustrated the unique challenges that our steep topography pose in managing storm water.

Last June, when I stood with EPA Region 5 Administrator Susan Hedman and Congressman Rick Nolan and our community partners on the shores of the St. Louis River, it was to celebrate the rebirth that is taking place along the St. Louis River Corridor. But it was also a nod to state and federal investment in our river. Previous EPA Assessment Grant funds were immensely helpful in identifying sites that have since been remediated for projects such as the Clyde Park/Duluth Heritage Sports Center, and the Loll/Epicurean facility, the Blumberg mixed-use development, and the expansion of Rohlfging Distributing. In all of these cases, we leveraged the EPA's investment with the state's contamination cleanup program, with well over 400 jobs already created. We look forward to similar success with this proposed grant.

The EPA Brownfield Assessment Grant program plays a critical role in our plans for the St. Louis River Corridor. Thank you for considering our application.

The following information is provided as required in the Grant Guidelines:

- a. **Applicant Identification:** The City of Duluth; 402 City Hall, 411 West First Street, Duluth, MN 55802
- b. **DUNS Number:** 07-7627883; the City is already registered with CCR.
- c. **Funding Requested:** i) Assessment Grant; ii) \$400,000 ; iii) hazardous substances (\$200,000) and petroleum (\$200,000); iv) community-wide
- d. **Location:** The City of Duluth, St. Louis County, State of Minnesota
- e. **Site Specific Information:** Not Applicable
- f. **Contacts:** Project Director: Ms. Heidi Timm-Bijold, Manager, Business Resources. Address: City of Duluth, 402 City Hall, 411 West First Street, Duluth, MN 55802. Phone: (218) 730-5324; Fax: (218) 730-5904; E-mail: [htimm@duluthmn.gov](mailto:htimm@duluthmn.gov) .  
Chief Executive: Mayor Don Ness. Address: City of Duluth, 403 City Hall, 411 West First Street, Duluth, MN 55802. Phone: (218) 730-5230; Fax: (218) 730-5904; E-mail: [dness@duluthmn.gov](mailto:dness@duluthmn.gov).
- g. **Date Submitted:** January 22, 2014
- h. **Project Period:** September 1, 2014 – August 31, 2017
- i. **Population of Duluth:** 86,265 (Census 2010)
- j. **Other Factors Checklist** – please see Attachment 5.

Thank you for your consideration of the grant application. Please do not hesitate to contact Ms. Timm-Bijold at the number listed herein if you have any questions.

Sincerely,



Don Ness  
Mayor

enc.

cc: Linda Mangrum

## City of Duluth, MN – EPA Assessment Grant Application – Ranking Criteria

### 1. COMMUNITY NEED

*Iai. Community Need: Targeted Community Description:* Duluth is situated at the western tip of Lake Superior in northeast Minnesota. The quintessential industrial port city since the 1800s; its historic economic base was comprised of Great Lakes shipping, linked rail transport, and steel and associated manufacturing. The loss of major industrial employers in the 1960s and 1970s left Duluth's formerly industrial waterfront vacant and blighted and its west-side working class neighborhoods disconnected and jobless. The City's carefully executed economic recovery started in the 1980s and has focused on downtown and Duluth's Lake Superior commercial waterfront. The City now turns its focus to the St. Louis River Corridor, in the western half of the city, which has been largely bypassed by the City's economic rebound.

The St. Louis River Corridor extends from downtown to the far western reaches of the city and northwest ("uphill") to Skyline Parkway. The St. Louis River flows into Lake Superior within the Corridor, forming the world's largest freshwater estuary. Duluth's historic past, including its old industrial core, waterfront, oldest neighborhoods, downtown, and several long-standing commercial corridors, is cradled within the Corridor. At the same time, the Corridor offers important catalyst sites, river access, and unique green/wild space amenities, and is the key focus of the City's economic development, housing stock, and open space goals.

The City of Duluth, MN seeks EPA Community-Wide Assessment funds to characterize the environmental contamination of, and to develop cleanup plans for, former industrial and commercial brownfield properties within the St. Louis River Corridor, with special emphasis on three distinct neighborhoods. These neighborhoods were also ravaged by Duluth's June 2012, 500-year flood event, ruining homes, infrastructure, parkland, and a neighborhood center, highlighting the vulnerability of the Corridor to intense storm events whose frequency is exacerbated by climate change due to Duluth's location as a coastal City. The target neighborhoods are:

- **The Western Port Area Neighborhood (WPAN):** includes two residential neighborhoods (Irving and Fairmount) separated by a State highway, a 55-acre former rail yard (the DWP Site), a 255-acre Superfund Site nearing delisting, and the City's Western Port. Forty-six percent of the WPAN is industrially zoned, but remaining industries and vacant and underused land are uncomfortably co-mingled with residences. The WPAN is isolated from adjacent communities and cut off from open space by brownfield sites. **Goals for this area include:** a) development of a new industrial park and a significant mixed use development; b) create a stronger separation between existing industrial areas and the residential Irving neighborhood; c) increased market-rate housing; and d) complete trails and bikeways and expand park space.
- **Lincoln Park:** includes the low-income residential/commercial community situated immediately to the west of downtown Duluth, and the waterfront industrial area known as Rice's Point, which includes several brownfields and the largest (by tonnage) operational port on the Great Lakes. The residential component features single family and multi-family homes inter-mixed with small businesses, community and institutional buildings and some small industrial sites. Much of the housing is sub-standard and only 44% owner-occupied (Census 2010). The new (2012) Lincoln Park Middle School serves all of western Duluth. **Goals for this area include:** a) new industrial, job-creating businesses in the Port Area, including the redevelopment of the former Hardwood Manufacturing facility that closed in August 2012, with the loss of 141 jobs; b) a revitalized commercial corridor; c) increased affordable and market-rate housing; and d) complete trails and bikeways.

- **Morgan Park and Gary-New Duluth (MP-GND):** Located at the western end of the corridor, these communities are separated by a federal Superfund Site (the former US Steel Plant) and nestled against a landfill. The closing of the US Steel and Atlas Cement Plants in the 1970s decimated both neighborhoods; Morgan Park was a company town for these plants, and GND might as well have been. A 1980s billboard at the edge of Morgan Park read: “The Last One to Leave, Turn off the Lights.” This is a predominantly residential community with commercial and industrial nodes. The communities have a fierce pride in their unique history and setting. **Goals for this area include:** a) new industrial, job-creating businesses in areas separated from the residential neighborhoods; b) increased workforce market-rate housing; and c) improvement and expansion of parks and completed trail connections.

***1.a.iii. Community Need: Demographic Information:*** Table 1 shows basic demographic data for the entire Corridor and the target neighborhoods. Bold values indicate values greater than City averages (lower for household income). These statistics are discussed in section 1.b.

**Table 1: Demographic Data for Corridor and Focus Neighborhoods**

	Gary-New Duluth - Morgan Park	Lincoln Park	WPAN	St. Louis River Corridor	City of Duluth	Minnesota	National
Population <sup>1</sup>	4,877	6,304	4,769	27,072	86,265	5,303,925	308,745,538
Percent Minority <sup>1</sup>	8.2%	<b>18.3%</b>	<b>11.9%</b>	<b>13.9%</b>	9.6%	16.9%	27.6%
Percent Native American Indian	<b>2.9%</b>	<b>5.3%</b>	2.7%	<b>4.0%</b>	2.5%	2.7%	1.0%
Unemployment Rate <sup>2,3</sup>	<b>12.6%</b>	<b>13.4%</b>	6.6%	<b>10.2%</b>	8.4% (4.7%) <sup>3</sup>	6.9% (4.1%) <sup>3</sup>	8.7% (7.0%) <sup>3</sup>
Poverty Rate <sup>2</sup>	18.3%	<b>35.1%</b>	<b>29.3%</b>	<b>25.5%</b>	21.4%	11.0%	14.3%
% Poor to Struggling <sup>2</sup>	<b>47.8%</b>	<b>63.5%</b>	<b>52.5%</b>	<b>50.1%</b>	40.0%	26.1%	32.7%
Median Household Income <sup>2</sup>	<b>\$36,157</b>	<b>\$26,873</b>	<b>\$29,109</b>	<b>\$30,912</b>	\$41,116	\$58,476	\$ 52,762
Households with public assistance income <sup>2</sup>	<b>7.9%</b>	<b>11.2%</b>	<b>10%</b>	<b>9.8%</b>	5.0%	3.3%	2.6%
Number of children < 5 years old <sup>1</sup>	<b>7.0%</b>	<b>8.7%</b>	<b>7.1%</b>	<b>6.9%</b>	5.6%	6.7%	6.5%

<sup>1</sup>Data from 2010 U.S. Census; <sup>2</sup>Data from 2007-2011 ACS 5-year estimates (“Poor to Struggling” defined as income less than 2x Poverty Rate); <sup>3</sup>Data in parentheses from MN Dept. of Employment & Economic Development, Local Area Statistics, November 2013 – not available at CT level

***1.a.iii. Brownfields:*** The City’s Comprehensive Plan (2006) identifies 900 acres of industrial brownfield land in the Corridor, approximately half of Duluth’s total acreage of zoned industrial land, and this does not include commercial brownfield acreage (e.g. former gasoline stations, drycleaners). The City has conducted several focused brownfield inventories within the Target Neighborhoods. A 2003 inventory of 600 acres in the Rice’s Point (industrial) area of Lincoln Park identified over 50 potential brownfield properties, including abandoned railway corridors and waterfront property, former rail yards, and former manufacturing operations. The City has completed or is in the process of completing brownfield inventories for the GND and the WPAN neighborhoods and residential/commercial portion of Lincoln Park. The Lincoln Park inventory is not yet completed, but the first two inventories identified a total of 73 brownfield sites. In general, these sites range from a tenth of an acre to tens of acres in size and include gas stations, dry cleaners, former rail yards and rail corridors, and former manufacturing facilities.

Working with our partners and stakeholders, we have identified several priority brownfield sites in the target neighborhoods. While no sites have been selected at this time, a sub-set of the

identified sites are listed in Table 2 for planning purposes and to illustrate the needs of the City in this proposal. Most of these sites are vacant or are in transition.

**Table 2 – Potential Brownfield Assessment Sites and Contaminants:**

Site Description; Neighborhood	Acres	Historic Use	Potential/Known Contaminants <sup>1</sup>
Former Steel Company and rail siding; Morgan Park	3	Rail transfer, steel manufacturing, fill of unknown origins	Petroleum, PAHs, lead, other metals
Steelton Yard - GND	20	Benzol plant	Petroleum, solvents
Former Manufacturing Facility - GND	10.5	Former refrigerator manufacturing facility; food products warehouse	Chlorinated and unchlorinated solvents, petroleum
Duke's Towing; WPAN	1	Utility substation; welding shop; auto service and salvage	Petroleum, solvents, lead, chromium
Jackson Auto Parts; WPAN	1.5	Filling and auto station; cement production;	Petroleum, PAHs, metals, solvents
Proposed Redruth Industrial Park, WPAN	20	Concrete manufacturing, bulk oil storage, fill of unknown origin	Petroleum, solvents, metals, PAHs
Former Hardwood Manufacturing facility and slip; Lincoln Park	20	Historic shipbuilding and wood manufacturing, fill of unknown origin	Petroleum, solvents, metals, PAHs
Transportation and manufacturing facility; Lincoln Park	6.5	Truck storage and maintenance, historic industrial, fill of unknown origin	Petroleum, solvents, PAHs, metals
Total acres:	82.5		

<sup>1</sup>Based upon on site-specific information, or on the City's experience with similar sites

The example sites in Table 2 represent 82.5 acres of brownfield properties in the Corridor and are typical of the types of sites found throughout the Corridor and the Target Neighborhoods. The threat of human exposure to contaminants via direct contact, ingestion and inhalation of particulates and vapors, is intensified by the fact that these sites, and others in the target neighborhoods, are located in close proximity to residences, schools, parks and the river. For example, the former refrigerator plant site in GND sits right next to a housing complex and is adjacent to Boy Scout Landing, a public river access, and relatively close to an elementary school. These sites also act as ongoing sources of contamination to ground water and to the St. Louis River and its tributary streams; for example the Former Hardwood Manufacturing Facility is located right on the waterfront and has been in continuous manufacturing use since the 1890s.

***1.a.iv. Cumulative Environmental Issues:*** Many environmental issues plague the Corridor. The St. Louis River is designated as a "Great Lakes Area of Concern (AOC)" by the U.S.-Canada Great Lakes Water Quality Agreement due to legacy contamination from past industrial practices. The Minnesota Pollution Control Agency (MPCA) has set an aggressive goal of delisting the AOC by 2015, and has identified cleanup of waterfront brownfield sites as very important to this process. The heavily traveled Interstate Highway 35 runs through the eastern two-thirds of the Corridor, involves multiple exchanges within this stretch, and serves as the northern border to the WPAN. The MPCA identifies 162 leak sites, 6 RCRA cleanup sites, and 9 unpermitted dumps within the Corridor.<sup>1</sup> There are 44 active air discharge permits issued by the MPCA in the Corridor, with the most visible being a large paper mill on the shores of the river. A large landfill is adjacent to the GND neighborhood. The WPAN has the large Hibbard power plant within its borders. Two of the State's largest Federal Superfund Sites lie in the Corridor, totaling 850 acres of contaminated land and sediments (the US Steel Site – separating Morgan Park and GND, and the St. Louis River Interlake/Duluth Tar (SLRIDT) Site– south-adjacent to

<sup>1</sup> MPCA "What's In My Neighborhood" database

the WPAN). All three neighborhoods have been designated as “food deserts” (low income, low food access areas) by the USDA<sup>2</sup>.

***1b. Community Need - Impacts on Targeted Community:*** As indicated in Table 1, low-income residents, people in poverty, children, minorities, and those receiving public assistance income live in greater percentages in the target neighborhoods than elsewhere in the City. These sensitive populations are thus disproportionately impacted by the large number of unaddressed brownfield sites in the Corridor and target neighborhoods. The types of site contaminants associated with the sites listed in Table 2 are typical of brownfield sites within the Corridor, based upon City experience with Corridor brownfields. Several of these contaminants (PAHs, select solvents, Chromium) are known carcinogens, and the suite of other health effects associated with chronic exposure to the listed contaminants include respiratory system problems, developmental delay, central nervous system effects, and reproductive system effects<sup>3</sup>. Neighborhood residents are potentially exposed to site soil contaminants through dermal contact, ingestion and inhalation of particulates and vapors, and this threat is heightened due to the proximity of many of these sites to residential neighborhoods, schools, and parks. These sensitive populations generally have reduced access to health care, which can result in delayed treatment of health issues resulting from chronic exposure to these chemicals.

The City worked with the Minnesota Department of Health (MDH) to secure grant funding in 2013 to conduct Health Impact Assessments (HIA) for the GND and Lincoln Park neighborhoods to inform the development of Small Area Plans in order to ensure that these plans will address the health issues and health inequities impacting these neighborhoods. The Baseline Data compiled for the GND HIA summarizes available City and St. Louis County-level health data (data presented in this paragraph is from the HIA Baseline Data, MDH, 2013, unless otherwise noted). These data indicate that County incidence rates for all cancer types have been consistently elevated above the State incidence rates from 1995 to 2009. The mesothelioma incidence rate for St. Louis County is twice the State rate<sup>4</sup>. Children in the County are more likely to experience blood lead poisoning than the State average. Asthma hospitalization rates for the County have been consistently 4-10% higher than State rates from 2005-2010. Premature and very premature births occurred in St. Louis County at rates exceeding the State rate by 12% – 23% between 2000 and 2009. The CDC and the MDH cite poverty as a risk factor for asthma and premature births, and so it is likely that the Corridor rate for these impacts is even greater than the County rate, as the Corridor poverty rate of 25.5% is significantly greater than the County poverty rate (16%)<sup>5</sup>. Given the number of brownfield sites in the Corridor and their proximity to residential neighborhoods, it is probable that the exposure to brownfield site contaminants is a contributor to these impacts in the Corridor, when the compared to State data.

The brownfield sites are also disruptive to neighborhood connectivity and general well-being. Within the target neighborhoods, some brownfield properties block access to the River, others serve to disconnect residential neighborhoods from community facilities, parkland, and vibrant commercial corridors in adjacent neighborhoods. In addition to the issue of connectivity, the existence of brownfields negatively impacts accessibility, safety, quality housing and social capital. Assessing brownfield sites with an eye towards these types of health indicators best

---

<sup>2</sup> “Access to Affordable and Nutritious Food: Updated Estimates to Distance of Supermarkets Using 2010 Data. Economic Research Report No. ERR-143. November 2012.

<sup>3</sup> Center For Disease Control ATSDR ToxFAQ sheets

<sup>4</sup> Minnesota Department of Health (MDH) Health Access Database, 2014.

<sup>5</sup> ACS (2007-2011)

ensures environmental remediation decisions that are based upon the holistic well-being of our neighborhoods' residents.

***I.ci. Community Need - Financial Need – Economic Conditions:*** The City does not have the resources to tackle the assessment work described herein without support. Based upon the City's experience with brownfield sites, we estimate the cost to conduct assessment work and cleanup planning for the example brownfield sites in Table 2 would be range between \$350,00 and \$800,000, and this is just a portion of brownfield sites in the target neighborhoods. The City has open EPA Petroleum and Hazardous Substance Assessment Grants, but they will be closed out in August 2014 with a full expenditure of funds. The remaining grant balance of \$85K is obligated for assessments of a former rail yard/bulk storage site in Rice's Point and the DWP Site in the WPAN that will start this spring. Indeed, in order to help a growing local manufacturer assess a WPAN-area vacant industrial facility next to the Interlake Superfund Site, the City needed to request the MPCA for Targeted Brownfield Assessment services in December. Although there are State brownfield grants available (2c), these are generally doubly oversubscribed, are primarily focused on cleanup, are project-specific and are offered on a semi-yearly basis. While valuable, state assessment monies are not as "nimble" for many of our projects.

Like many municipalities in the country, Duluth experienced an unprecedented fiscal emergency over the past several years. The City has faced tremendous challenges in the past four years on funding sources for basic government services. In particular, the City lost over \$16 million in Local Government Aid (LGA) provided by the State of Minnesota, and additional significant dollars from sales tax revenues, earnings on investments, and other economy driven revenues. For the four straight years, the City's general fund budget declined from \$81.9 million in 2009 to the present \$74.0 million in 2013. The City met these funding challenges at great expense: 4.5% reduction on overall staff; reductions in parks and library services; closure of a fire hall; reductions in our street maintenance program; and deferred purchases of critical equipment and maintenance of property and facilities. In addition, the City raised its property tax levy and fees for services to fund core services. It should also be noted that the 500-year flood that ravaged our community in June 2012 resulted in no-less-than an estimated \$60 million in property damage. The City is still recovering from these effects and does not have extra funds for brownfield assessment and cleanup planning.

***I.c.ii. Community Need – Financial Need - Economic Effects of Brownfields:*** Although the Corridor is the key to the City's economic development strategy and its future as a vibrant network of interconnected, healthy communities, Duluth's rising tide has not yet reached the Corridor and its neighborhoods, as demonstrated in Table 1. The Corridor poverty rate (25.5%) is more than double the state rate (11%), with pockets, such as in the WPAN and Lincoln Park, where the poverty rate (29.3%, 35.1%) can be as high as twice the national rate (8.7%) and three times the state rate. One in four people in the Corridor live in poverty, and over half can be considered "poor to struggling." The Corridor unemployment rate (10.2%) exceeds the state (6.9%) and city rates (8.4%), with unemployment in Lincoln Park (13.4%) over twice the state rate. Although the minority population in the Corridor is not as high as the national average, minorities live in higher proportion in the Corridor (13.9%) than in the rest of the City (9.6%), with the greatest minority concentrations in our poorest neighborhoods, such as Lincoln Park. Lincoln Park, the WPAN, and Morgan Park are all CDBG-eligible districts.

Certainly, brownfields aren't the sole cause of impoverishment and unemployment, however their heavy concentration in the Corridor complicates many routes to solving these problems. The 900 acres of industrial brownfield land in the Corridor identified by the City's Comprehensive Plan represent a lost opportunity to generate property tax for the City. Without assessment and cleanup, they also represent lost opportunity for the development of new job

centers and associated jobs as well as the expansion of market-rate workforce housing needed to support job-growth. Interestingly, we estimate that there are one thousand job openings in Duluth at any given time. Whereas this speaks to the resurgence of Duluth's economic base, it has revealed a very real crisis: a lack of market-rate, workforce housing. Employers are reporting difficulty in recruiting talent due to the lack of market-rate housing. Addressing this shortage will require a multi-pronged strategy, to include identifying and assessing infill sites. Duluth is a fully developed City, and new development—be it for housing, commercial, industrial, recreation—is re-development and requires assessment at the Phase I level at a minimum. Although the City and its partners, the Duluth Economic Development Authority, and the Duluth Seaway Port Authority receive numerous inquiries regarding industrial and commercial land each year, most interested parties want clean land or at least land where the environmental risks have been quantified so that the cleanup and redevelopment costs can be estimated.

Brownfields in the target neighborhoods also contribute to blight and vacancy and serve as barriers to needed infrastructure improvements. For example, in the WPAN, a new industrial road is needed to provide better access to waterfront industrial properties (mostly vacant) and to reroute heavy industrial traffic that currently bisects the residential neighborhood and severs connections between the neighborhood and the river. However, road construction would encounter several former rail and industrial brownfield properties, and the added expense and uncertainty is an additional barrier to project initiation.

## **2. PROJECT DESCRIPTION AND FEASIBILITY OF SUCCESS**

***2ai. Project Description:*** The City will use this grant to further its St. Louis River Corridor revitalization efforts, with special emphasis on three target neighborhoods within the Corridor further described in Section 1 (the WPAN, MP-GND, and Lincoln Park). Duluth's Mayor Ness has identified the St. Louis River Corridor as the key to Duluth's future success as a community – the focus of economic development and population growth. The Corridor, and the three identified neighborhood areas in particular, feature the space and setting to offer opportunities for park and trail features, world-class outdoor recreation, industrial sector resurrection and associated job growth, and much-needed expanded market-rate work force housing. The pathway to this grand vision is through making our long-neglected Corridor neighborhoods more successful. Their success is hindered by the presence of vacant industrial properties, outdated infrastructure, sub-standard housing, and by poor connectivity. Brownfields are at the core of each of these barriers. This grant, by clarifying the degree of contamination and associated cleanup needs at brownfield sites within the Corridor, paves the way for the City to realize its goals.

The City will use the Assessment Grant to perform environmental site assessments (ESAs) and cleanup planning at properties in the Corridor whose redevelopment end-use is consistent with the following land-use goals: **a)** encourage and attract value-added manufacturing and exporting, ensuring job growth; **b)** reclaim select bayfront and shoreline properties outside of the Port for commercial tourism-related purposes; **c)** expand market-rate workforce housing primarily through infill development in and near established neighborhoods; and **d)** expand our parks and open spaces, and complete trail connections. We intend to use 75% of the funding for sites in the target neighborhoods. These goals are consistent with the following planning documents for the Corridor and/or its neighborhoods, all based upon considerable community input: the Strategic Framework for the Corridor (described in 3a), the City's 2006 *Comprehensive Plan* (revision planned in 2015), the *Irving Sustainable Neighborhood Action Plan* (2010), the LISC 2012 *Neighborhood Revitalization Plans* for Morgan Park, West Duluth (inclusive of WPAN) and Lincoln Park, and the City's 2012 Parks and Trails Master Plan.

The City's **proposed outputs** for this grant are as follows: Phase I ESAs of 8 properties, Phase II ESAs of 6 properties, and the response action planning for two properties, including the development of two Response Action Plans (RAP). Total numbers of assessments and RAPs will depend on the size of the properties and the nature of their land-use history. The **proposed outcomes** of this project are that four sites will be remediated and redeveloped in a manner consistent with the goals listed above. Outcomes may include new jobs created, tax base increase, affordable housing units added, acres of new parkland, and completed trail segments.

**2.a.ii) Project Management Approach:** The City's Business Resources Program will manage the grant to successfully meet the goals described in 2.a.i within a 3-year time frame. The Business Resources Program staff have extensive experience with hiring and managing consultants, planning and implementing brownfield redevelopment projects, and working with community groups and developers. The City will retain qualified environmental consultants to conduct the assessment work. Under the guidance of the City Purchasing Agent, the City uses an open and broadly advertised procurement process that is consistent with 40 CFR 31.36 to select the consultants. The City conducts this procurement process every two to three years in order to select multiple highly competent environmental consultants and is scheduled to conduct a new process in the summer of 2014 to select up to 3 consultants with expertise in brownfield assessment and cleanup, grant management, and public outreach. The environmental consultants for the proposed grant work will be selected from this pool.

Site Selection and Site Work: The City has already worked with its partners to identify potential sites for this grant. The pipeline of potential sites came from two sources: a) our semi-monthly Advisory Committee meetings (see 3a), and b) our economic development partners, the Duluth Economic Development Authority (DEDA), the Duluth Seaway Port Authority (DSPA) and Northspan, a private business development group, all serve on the Advisory Committee and provide their site recommendations to Advisory Committee and to the Mayor via his "Economic Development Coalition." This pipeline of sites will help ensure that site selection will not impede completing our grant project in three years. As sites are selected, the City will obtain approval from the EPA for the City's formal "Brownfield Site and Owner Eligibility Determination" that will be prepared for each potential site prior to spending grant funds. All sites requiring Phase II assessments and cleanup plan development will be enrolled in the MPCA's voluntary Brownfield Programs for review and oversight of the assessment activity. Consultants will be required to work closely and collaboratively with MPCA staff. Phase I and Phase II ESAs will be compliant with All Appropriate Inquiry (AAI), ASTM Standards and MPCA guidance.

Site Access: The City prefers to assess sites where access is not an issue, and most, if not all, of the sites that will be assessed will be controlled by willing owners. Redevelopment projects are often driven by the private sector, which manages access logistics. Site access will be considered as a selection criteria, and should not serve as a barrier to completing the grant in time. However, in the event that a contaminated property poses an imminent health threat, the City has the authority to gain access via State action under Minnesota Statute 117.

Reporting and Tracking Progress: The City will report upon the outcomes and outputs associated with grant activity on a routine basis through quarterly reports and regular data input into the ACRES database. The City maintains accurate accounting records of the tax-base increase, job creation and private and public funds leveraged at each redevelopment project.

**2.a.iii) Site Selection:** Site prioritization will be necessary; our assessment needs exceed the grant budget. As described in 2.a.ii, we have a ready pipeline of site recommendations from our partners. The ultimate goal for this grant is the revitalization of the St. Louis River Corridor with emphasis on the target neighborhoods; sites selected for assessment must meet the land-use goals

for the Corridor identified in 2.a.i. Highest priority will be given to brownfield sites whose timely assessment will allow the City to capitalize on a particular re-development opportunity. Generally, sites will be assessed as access to the sites can be obtained, in order to maintain project schedules and in keeping with community concerns. In addition, the City will work with the community partners described in Section 3c to prioritize sites within the Corridor with a goal of spending 75% of the grant in the three target neighborhoods; however the City will retain final decision-making authority. The prioritization criteria for potential sites will include the following questions: **a)** Is there an identified redevelopment project for the site that is ready to go? **b)** Can we gain access to the site? **c)** Is there an imminent risk to human health or the environment that assessment will evaluate? **d)** Will site assessment stimulate the availability of other funds for assessment and/or remediation? **e)** Does the proposed reuse plan align with the guiding planning documents? **f)** Would environmental justice issues be addressed by assessing this property? **g)** Does this assessment leverage other City “environmental stewardship” efforts?

**2.b.i. Task Description:** The City proposes four tasks, described below, to complete the grant work. The Hazardous Materials and Petroleum budgets will be tracked separately. The City will use other resources to pay for staff salary and benefits.

**Task 1 – Community Engagement** - As described in 3a, the City will engage community partners and stakeholders to discuss brownfield revitalization opportunities, and to help select and prioritize sites. Community involvement activities will include holding Community Advisory Committee meetings, attending and presenting at business group- and community association- meetings, and conducting site-specific community involvement activities surrounding the reuse and cleanup planning for sites where cleanup planning is grant-funded. The City staff will manage the community involvement process, with support from the selected consultants (contractual, \$4,000, split between the two budgets). Funding is included for limited meeting expenses such as promotional materials (\$500), maps and hand-outs (\$500), and light refreshments (\$1,000) [total = \$2,000, split between the two budgets].

**Task 2 = Site Assessments:** Selected sites will be evaluated through performance of Phase I and Phase II ESAs conducted in compliance with All Appropriate Inquiry and ASTM standards and Minnesota’s risk-based guidance. The City will complete up to 8 Phase I ESAs (4 petroleum, 4 hazardous substances) at an average contractual cost of \$4,000 each [total = \$32,000] and up to 6 Phase II ESAs (3 petroleum, 3 hazardous substances) at an average contractual cost of \$48,833.33 per assessment [total = \$293,000]. This task also includes the preparation of Quality Assurance Program Plans by three consulting firms at an estimated contractual cost of \$5,000 each [total = \$15,000]. The costs for conducting Phase I and Phase II ESAs will vary depending upon the size of the properties being assessed, and the extent and nature of the contamination present; the presented costs are based upon the City’s experience with past grants. Total: \$32,000 + \$293,000 + \$15,000 = \$340,000; this amount is split between the two budgets.

**Task 3 = Cleanup Planning:** Cleanup plans will be developed for two properties (one petroleum, one hazardous substance) at an estimated contractual cost of \$20,000 per site [total = \$40,000, split between the two budgets]. Cleanup plans will be prepared by selected environmental consultants in accordance with MPCA guidelines and will include the evaluation of redevelopment configurations and remediation alternatives. Cleanup and reuse planning will include community input – these costs are reflected in Task 1.

**Task 4 = Eligible Programmatic Activities:** This task involves meeting the requirements of the Cooperative Agreement and implementing the grant in its entirety, including but not limited to meeting all reporting requirements, entering data into the ACRES database, and communication with the MPCA and EPA. The City will conduct these tasks with assistance from an environmental consultant (estimated contractual cost of \$6,000 split between the two

budgets). Funding has been included for two City staff to travel to a National Brownfield Conference and two staff to travel two regional training opportunities to learn and share best practices. The estimated cost of travel is \$2,000 per trip (4 trips - total \$8,000) and has been split between the two budgets.

A total of \$325,000 will be spent on Phase I and II ESAs, a full 81.25% of the total requested grant funds; of this, \$293,000 will be specifically for Phase II ESAs

**2.b.ii) Budget Table (5):** The tables below reflect the budget for the tasks described above.

Budget Categories	Hazardous Substance Funds - Project Tasks – (\$)				
	Task 1 Community Engagement	Task 2 Site Assessment	Task 3 Cleanup Planning	Task 4 Programmatic Activities	Total (\$)
Personnel	0	0	0	0	0
Fringe Benefits	0	0	0	0	0
Travel	0	0	0	4,000	4,000
Equipment	0	0	0	0	0
Supplies	0	0	0	0	0
Contractual	2,000	170,000	20,000	3,000	195,000
Meeting Expenses	1,000	0	0	0	1,000
Total	3,000	170,000	20,000	7,000	200,000
Budget Categories	Petroleum Funds - Project Tasks – (\$)				
	Task 1 Community Engagement	Task 2 Site Assessment	Task 3 Cleanup Planning	Task 4 Programmatic Activities	Total (\$)
Personnel	0	0	0	0	0
Fringe Benefits	0	0	0	0	0
Travel	0	0	0	4,000	4,000
Equipment	0	0	0	0	0
Supplies	0	0	0	0	0
Contractual	2,000	170,000	20,000	3,000	195,000
Meeting Expenses	1,000	0	0	0	1,000
Total	3,000	170,000	20,000	7,000	200,000

**2.c. Ability to Leverage:** The requested grant funds represent a single funding tool. The City has extensive experience securing public and private sources to complete assessment, acquisition, site preparation, site cleanup, infrastructure improvements, hazardous material abatement, demolition, and construction. The following is a list of funding sources that the City has used for brownfield reuse in the past and will seek to use for sites assessed with this grant:

- **MN Department of Employment and Economic Development (DEED) Contamination Cleanup Grants:** This competitive program provides grants for brownfield cleanup with a small amount awarded for assessment. Priority is given to projects that result in increased tax base and job creation. The City has obtained over \$379,000 in assessment grant funds and over \$7.5 million for cleanup grant funds for brownfield sites in the Corridor over the past 12 years, and anticipates similar success for this grant.
- **Duluth EPA Revolving Loan Fund:** The City was awarded a \$650K EPA-funded RLF for the Corridor project area in 2012. These funds can be used for cleanup activities in the Corridor. This source is dedicated to Corridor brownfield sites – documentation is in Attachment 4.

- DEED Redevelopment and Infrastructure (R&I) Grants: These grants address costs of land acquisition, demolition, infrastructure improvements, and soil stabilization. The City has secured almost \$5.5 million in R&I grants for sites in the Corridor over the past 12 years.
- State and EPA Targeted Brownfield Assessment Funds (TBA): These EPA-funded programs provide consulting services to perform environmental assessments at eligible brownfield properties. The City or its partners have accessed TBA for work at four sites in the Corridor in recent years (including, this winter, the new the Loll manufacturing facility in the WPAN).

For sites that are cleaned up, development costs will be borne by the developer. In addition, by working with our partners, we can offer or have access to multiple financing and Business Incentive Programs, including: Industrial Development Revenue Bonds, Tax Increment Financing, Regional Revolving Loan Program, Federal Economic Development Administration (EDA), commercial financing, the Minnesota Investment Fund, and New Market Tax Credits.

### **3. COMMUNITY ENGAGEMENT AND PARTNERSHIPS**

***3.a. Plan for Involving Targeted Community and Other Stakeholders and Communicating Project Progress:*** The City has been involved, since convening the St. Louis River Summit in 2009, in building an alliance amongst key stakeholders involved in riverfront issues. This effort has brought together residents, visionaries, community groups, government entities, and private and non-profit organizations to marshal financial and intellectual resources to forward the causes of recreation, tourism, economic development, habitat, transportation, sediment cleanup and brownfield redevelopment within the Corridor. In 2010, this group prepared a draft **Strategic Framework and Implementation Plan** for the Corridor. With the advent of the FY2010 Assessment Grant, the City reinvigorated the original corridor partners to form a Corridor Advisory Committee (CAC). Partners were selected from those who were instrumental in the St. Louis River Summit and in formulating the Strategic Framework. The CAC initially met quarterly to inform the use of the EPA grant funds and to share information on Corridor efforts. Meetings are now held bi-monthly, at the members' request. The City will continue to use the CAC to involve the targeted community and other stakeholders in grant planning and implementation.

For the proposed grant, the CAC membership will be reassessed, with the input of our partners, to identify representation and expertise that might still be missing from the group. The City will seek representation to fill identified missing components. The CAC will continue to be the most effective means of addressing the entire Corridor – building upon the history and momentum of the group and capitalizing on the strong network that individual members have in the community.

For this grant, the City will convene bi-monthly meetings of the CAC to: a) define neighborhood needs; b) identify potential brownfield sites within Corridor neighborhoods; c) prioritize sites for assessment, to include health impacts; d) understand market demand for properties; e) discuss and prioritize Site reuse plans in the context of community need; and f) align funding resources. The City will maintain the authority to make final decisions on the use of the grant funds, but will use the Community Partners' input in shaping those decisions. In addition to CAC meetings, we will use our partners' regular meetings to broadcast information about the program.

Additionally, for all cleanup planning funded by this grant, we will seek the community's input into cleanup and reuse decisions by presenting information regarding the proposed cleanup and reuse plans at one or more community meetings in collaboration with the appropriate Community Partner. We will also establish a new Assessment Grant web page and will provide updates regarding assessment progress on our web-site. There are few non-English speakers in the Corridor project area, but the City will provide translation services when appropriate.

**3.b.i. Partnerships with Environmental and Health Government Agencies:** The City enrolls all of its brownfield sites requiring assessment and cleanup into the voluntary cleanup programs at the Minnesota Pollution Control Agency (MPCA) and works closely with their staff to ensure that sites are appropriately managed and that cleanups meet risk-based standards established by the MPCA in collaboration with the Minnesota Department of Health. We will enroll all sites where Phase II Assessment and cleanup planning are conducted into the MPCA voluntary cleanup programs and require that our consultants work cooperatively with the MPCA staff. We have a particularly close relationship with the MPCA staff built upon working collaboratively on several large brownfield projects over the past 10 years.

The City partnered with the Minnesota Department of Health to obtain funds in 2013 from The Pew Charitable Trusts to conduct two Health Impact Assessments (HIAs) – one in Gary New Duluth and one in Lincoln Park. These two HIAs will be completed by 2015. These HIAs have led to a closer relationship with the St. Louis County Department of Health, and we are seeking to expand the CAC to include a member of their staff.

**3.b.ii) Partnerships with Other Relevant Government Agencies:** The City of Duluth understands that brownfield redevelopment requires a cooperative effort among City, County, State and Federal governments, the business community, citizen groups, and environmental and other technical professionals. As explained in 1b, the City has limited financial resources; by necessity we collaborate with partners to maximize and leverage resources. Duluth aggressively seeks cleanup, redevelopment and infrastructure grants from the Minnesota DEED and will do so for sites assessed with the proposed grant funds. The Minnesota Department of Natural Resources and the local US Fish and Wildlife office have been important allies in recognizing and protecting our open lands and precious waterways. The City has worked with both the MPCA and the US EPA on the use of Targeted Brownfield Assessment (TBA) funds within the Corridor project area. The EPA Duluth Laboratory has staff who are members of the CAC and will continue in this role for the proposed grant work.

Historic preservation is important in Duluth. The City works with the State Historic Preservation Office and its own Historic Preservation Commission to ensure that historically important buildings and elements are preserved appropriately. The City works with the Duluth Seaway Port Authority and the Duluth Economic Development Authority to aid businesses interested in expanding and relocating in Duluth; these relationships will help match businesses to the properties assessed with grant funds.

**3.c. Partnerships with Community-Based Organizations:** For this grant, we plan to continue the vibrant network of partnerships that we have established over the past 10 years of work on Corridor issues. The evolution of the St. Louis River Community Advisory Committee is described in 3a. The following partners will be absolutely key to accomplishing the work proposed for this grant; their letters of support are included in Attachment 3.

- **Duluth Local Initiatives Support Corporation (LISC-Duluth):** LISC helps nonprofit community organizations transform distressed neighborhoods into healthy communities. **Role:** advisor on community needs and site prioritization. LISC will link the City through community organizations to maximize community input and outreach.
- **St. Louis River Alliance (SLRA):** works to restore and protect the St. Louis River and Lake Superior via engagement with public and tribal agencies, industry groups and community stakeholders and by securing funding for the remediation of the river. **Role:** advisor on environmental effects of brownfield sites to the St. Louis River and Lake Superior and link for outreach to, and involvement of, tribal communities.
- **The Northspan Group** is a private nonprofit economic development organization focused on development and diversification of the economy in the upper Midwest. **Role:** advisor on site

prioritization in the context of market demand and economic development potential; they will also assist in marketing sites to potential developers.

- **Morgan Park Community Club and Gary New Duluth Community Club:** are grass-roots non-profit groups committed to the betterment of the Morgan Park and GND neighborhoods. **Role:** Site identification as well as outreach to and involvement of the Morgan Park and GND neighborhoods in grant activities.
- **Lincoln Park Business Group's** mission is to lead and promote the revitalization of Lincoln Park through business, economic, and community development. **Role:** Site identification and prioritization for the Lincoln Park Neighborhood with a focus on economic development.
- **Ecolibrium3:** This Lincoln Park non-profit focuses on sustainable solutions. They also serve as the community outreach coordinator for LISC-Duluth in the Lincoln Park and WPAN neighborhoods. **Role:** Coordinate community outreach for the Lincoln Park and WPAN; advise on sites selection for these neighborhoods.

#### **4. PROJECT BENEFITS**

**4.a. Health and/or Welfare and Environment:** The award of this grant will guarantee that contaminated properties within the Corridor and target neighborhoods, such as those in Table 2, will be assessed in the next 3 years, quantifying the associated risk to human health and the environment. This is the first critical step in the cleanup of brownfield properties, which will halt the exposure of residents to the chemicals typically at Corridor brownfield sites (PAHs, petroleum, lead, chromium, other metals, and VOCs, as per Table 2). As identified in the Community Need section of this proposal, the example sites are located in close proximity to Corridor and target neighborhood residents, including sensitive populations of minorities, lower-income residents, people in poverty and children. Cleanup of sites in the Corridor will also protect the waters of Lake Superior, the St. Louis River, and its 28 tributary streams within the Corridor by removing ongoing sources of contaminants; as described in Section 1, this is a crucial component to the goal of delisting the St Louis River as a Great Lakes Area of Concern by 2025. As described in Section 3, the City will work with the MPCA to ensure that assessment, and subsequent cleanup, activities are protective of human health and the environment; assessment sites will be enrolled in the MPCA's voluntary cleanup programs for technical review, oversight, and approval relative to their extensive risk-based guidance.

The cleanup of these properties also paves the way for their reuse, reducing the number of vacant and underused commercial and industrial properties and providing developable land that can be used for the needs identified in Section 1: the development of market-rate housing in the WPAN and MP-GND to meet our growing workforce population, the development of affordable housing in Lincoln Park, the creation of industrial work centers in Rice's Point and parts of Morgan Park, and the expansion of parks and completion of trail features in all neighborhoods. City and community planning documents informing our site selection include these end-uses as high-priority objectives in building healthy, livable communities.

**4.b.i. Environmental Benefits from Infrastructure Reuse/Sustainable Reuse - Planning, Policies, Ordinances or Other Tools:** Perhaps because of our location on the shores of the largest of the Great Lakes, the City of Duluth has long incorporated sustainability considerations into decision making processes and programs. Examples include:

- The first of the 12 guiding principles for the City's 2006 Comprehensive Plan is "Reuse of previously developed lands," stating that doing so "strengthens neighborhoods," is preferred over greenfield development, and that cleanup costs are offset by savings in the use of "existing public infrastructure."
- The City Council resolved in 2013 to endeavor to construct all new or significantly renovated municipal buildings to LEED Silver level quality; LEED scope includes green buildings,

energy efficiency, water management, green remediation, construction and demolition materials recycling.

- The City recently secured two grant awards that contribute to sustainability through the implantation of green infrastructure. A \$400,000 grant through the Great Lakes Restoration Initiative (GLRI) and the U.S.F.S. employs green remediation strategies at the DWP brownfield site to remove contaminants and control storm water run-off. An EPA's Great Lakes Shoreline Cities Green Infrastructure grant (\$250,000) supports installation of three green infrastructure projects in the Corridor, one of which will be constructed at the Atlas site.
- The City Council adopted a Unified Development Code in 2009 to guide land use and development in Duluth. Its purpose includes, but is not limited to, reducing carbon emissions, vehicle miles travelled, and energy and water consumption.
- The Duluth City Operations Energy Action Plan 2011-2015 establishes reduction targets for energy use by implementing energy efficiency measures in city facilities and vehicles, increasing materials recycling and reducing fleet vehicle miles traveled.

**4.b.ii. Environmental Benefits from Infrastructure Reuse/Sustainable Reuse - Example of Efforts to Integrate Equitable Development or Livability Principles:** As a single example of the City's efforts to integrate equitable development into the brownfield revitalization process: the City and the Minnesota Department of Health secured grants to conduct Health Impact Assessments (HIA) for the GND and Lincoln Park neighborhoods to build a broader understanding and consideration of health metrics into the Small Area Plans for these neighborhoods – which are amongst the planning documents that will define reuse scenarios for the sites assessed with the proposed grant. The HIAs will ensure that the planning process will promote health of the community in the face of existing health, environmental, and socio-economic issues. For the GND neighborhood, the HIA screening step found “depressed property values and neighborhood blight” correlated with proximity to brownfields, as an issue for the community, acknowledging that “these conditions tend to promote alienation” and social disorder which in turn “affects health and well-being.” The HIA also identified lack of access to health care and health food as health issues for these neighborhoods that must be resolved in order to improve the health of the community. This effort is consistent with the Livability Principle: “Value Communities and Neighborhoods.” The Lincoln Park SAP will be the pilot test of a Minnesota Brownfields HIA tool, developed in collaboration with the MDH, to develop metrics for brownfield remediation's impact upon community health

**4.c.i. Economic or Other Non-Economic Benefits (long term benefits):** The City's economic development goals for the corridor are to attract value-added manufacturing and exporting operations, encourage the expansion of existing companies, and increase outdoor recreation opportunities and services. To support the growth in jobs, the City is also aggressively seeking to expand its workforce housing. The site selection process for this grant considers these goals, and several of the example sites in Table 2 were selected because they have the potential to create jobs and expand the tax base. The proposed assessment activity will lead to the cleanup of brownfield sites, removing contamination and blight that has served as a disincentive to private investment. The City will work with its partners, the Duluth Economic Development Authority, the Duluth Seaway Port Authority, and Northspan, to market Duluth to manufacturing entities to encourage local expansion as well as to attract new companies to relocate here. Based upon the number of inquiries that we field annually, we will be able to attract businesses to fill sites assessed with the grant funds.

In order to expand employment opportunities for existing residents, the City will also continue to encourage local businesses to expand within the City limits on brownfield property. The City of Duluth has documented results to support these goals. For example, City-supported brownfield

redevelopment projects include the Clyde Park/Duluth Heritage Sports Center, the Epicurean/Loll Designs facility, the IKONICS expansion, and the U.S. Air Force/Cirrus Design facility. These four projects, the first three of which are in the Corridor, with total environmental costs of \$3.6M, have retained 805 jobs and created 424 jobs. They have leveraged over \$51M in private and public redevelopment funds (non-cleanup related) and reclaimed 29.1 acres of former industrial land. We can anticipate similar results for these funds.

The City will also seek opportunities to assess brownfield sites that will serve to expand our extensive trail system along the waterfront. One of our Mayor's goals is for Duluth to become a Premier Trail (terrestrial and water) town. This is part of Duluth's "brand" as an outdoor town, a factor in its tourism strategy as well as in attracting young families and young professionals to live and work here. The trails and connectors planned for the Corridor include hiking and nature trails, bicycle commuting route connectors, and pedestrian connectors that allow children to cross dangerous intersections to reach the newly opened western Duluth Middle School on foot or by bike. Some of the connectors will cross brownfield lands that may require cleanup.

*ii) Economic Benefits - Planned Efforts to Promote Local Hiring and Procurement:* To date, there have been no EPA Brownfield Job Training Grants awarded to any northern Minnesota entity. However, the City will continue to work with the many robust job-training programs run by our partner organizations (Community Action Duluth--CAD, LISC, and the City's own Duluth Workforce Development) to prepare area residents for the jobs that are created on sites assessed with this grant. These local programs seek to prepare participants for jobs suited to the Duluth economy. LISC's "Duluth at Work" program includes a focus on green jobs. CAD's Seeds of Success focuses on jobs associated with local food production, their Stream Corps program trains unemployed workers for environmental field-work jobs (it is a subgrantee to the above-described GLRI-U.S.F.S project), and their Bridge to Employment Program provides unemployed people with job-skills and soft-skills for continued employment.

## **5. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE**

*5.a. Programmatic Capability:* The City has the requisite ability and capacity to manage the Assessment Grant Ms. Heidi Timm-Bijold, Manager of Business Resources in the City's Department of Business and Economic Development, will serve as the Project Manager. Timm-Bijold has 30 years of economic development and business development experience and has served as the project manager for several successful brownfield projects, obtaining and managing \$30 million in assessment, cleanup, infrastructure, redevelopment and business loan funding from local, state and federal entities since 2000. She coordinates with consultants and works directly with community groups, stakeholders and developers. Timm-Bijold was a primary organizer of the Corridor Summit and has convened the CAC meetings described in 3a. Timm-Bijold will be assisted by the City's Business Developer, Mr. Ross Lovely, who has experience as a lawyer and as an environmental consultant. These staff will be assisted by personnel from the Engineering, Accounting, Attorney, GIS and Planning departments.

The City routinely retains consultants to conduct brownfield assessment, cleanup and redevelopment projects. The City plans to conduct a procurement process in the summer of 2014 to retain 3-4 environmental consultants for all of the City's brownfield work. The consultants who will conduct work under this grant will be selected from this pool. The procurement process will be a competitive, broadly advertised request-for-qualifications process consistent with City procurement procedures and with 40 CFR 31.36. Mr. Dennis Sears, the City's purchasing manager, will direct the procurement effort. The City is very experienced in handling local, state and federal grants and complying with the reporting requirements associated with these grants. In 2013, the City administered in excess of \$23.6M of regional, county, state and

federal grants, the latter of which included grants from the departments of: Commerce, EPA, Homeland Security, Housing and Urban Development, Justice, Labor, and Transportation.

**5.b. Audit Findings:** The City has not received adverse audit findings from an OMB Circular A-133 Audit, or from any audit conducted by a federal, state, or local government

**5.c. Past Performance and Accomplishments – (ii) Recipient of EPA Brownfields Grant:**

(1) – Compliance with Grant Requirements:

The City has five current EPA Brownfield Grants, listed below. All of these grants are **currently open**, although the Assessment Grants and the Atlas Cleanup Grant will be closed out by the end of August 2014, which is why we are currently seeking additional funds. In regards to quarterly performance and technical reporting: the City has met all **reporting requirements** in a timely fashion for all of these grants and is current on ACRES data entry, except where noted. The cleanup grants were actually awarded to the City's Partner, the DEDA, which shares the key staff listed under 5a with the City. The five grants, their award year, amount, project period, budget balance, and **accomplishments** are:

- Petroleum Assessment Grant (FY2010; \$200K; 8/1/10 – 7/31/14): Remaining funds: \$25,000. These funds are obligated for a Phase I and preliminary Phase II assessment of a portion of a former rail yard in the Rice's Point portion of Lincoln Park.. **Accomplishments:** Eligibility determinations were prepared for five sites. The City has completed or will soon complete three brownfield inventories for the target neighborhoods. Phase I Assessments were prepared for three sites in the Corridor, and a cleanup plan for one of these properties, leveraging \$503,111 in State contamination cleanup grants, and \$4.5M in private redevelopment funds; \$3M of this can't be entered into ACRES until the redevelopment is complete this spring..
- Hazardous Substances Assessment Grant (FY2011; \$200K; 10/1/11-9/30/14): Remaining funds: \$60,000. These funds are obligated to an extensive Phase II assessment of a 55-acre portion of the DWP site in the WPAN to help plan for cleanup supportive of its redevelopment as a park and trail center. **Accomplishments:** To date, four eligibility determinations have been prepared, one Phase I Assessment and one historic file review and a Supplemental Phase II Assessment (at the Atlas Industrial Site) have been conducted. The Atlas assessment work helped leverage a supplemental \$265,072 State Contamination Cleanup Grant. The Phase I Assessment is supporting the construction of an executive office building in downtown Duluth which, upon its completion in 2015, will have leveraged a \$70 million private-public investment. The historic file review of the DWP Site helped position the City for the \$400K US Forest Service-Great Lakes Restoration Initiative grant to use green infrastructure to help remove contaminants in run-off and ground water discharge from this site. Site accomplishments and leveraged amounts are entered into ACRES at the time of grant application.
- Brownfield Cleanup Grant - Atlas Industrial Site (FY2011; \$200K; 9/1/11-8/31/14): Budget balance: \$170K. **Status/Accomplishments:** The challenging cleanup of this 51acre site started in the 2010 and is ongoing. The State Cleanup Grant funds mentioned above needed to be used first, but are now expended. The EPA grant funds are obligated for the next phase of cleanup and will be expended by August 2014.
- Brownfield Cleanup Grant – Bayfront Lot D Site (2012; \$200K; 10/1/12 - 9/30/15). Budget balance: \$200,000. **Status/Accomplishments:** This cleanup was delayed when the Minnesota Department of Natural Resources pulled its sponsorship from the construction of a transient recreational boat harbor and facility. The City is commencing cleanup planning to support redevelopment consistent with the Small Area Plan for the Bayfront area. A significant \$33 million private redevelopment project will be underway within six months on an adjacent waterfront parcel, which will trigger redevelopment plans for the Lot D site.

# **ATTACHMENT 1**

## **Threshold Documentation**

**1. Applicant Eligibility:**

The City of Duluth (the City) is a “General Purpose Unit of Local Government” in the State of Minnesota and is therefore eligible as per the guideline definitions. Furthermore, the City did not receive an Assessment grant from EPA in FY13.

**2. Letter from the State Environmental Authority:**

The City has received a letter of acknowledgement and support from the Minnesota Pollution Control Agency (MPCA). The letter is included as Attachment 2.

**3. Community Involvement:**

The City has already involved community representatives and other stakeholders in planning this grant and will continue to involve these entities during the implementation of the grant and all assessment activities associated with it. As described in Ranking Criteria 3a, the City will continue to engage the community and key stakeholders through semi-monthly meetings of the Corridor Advisory Committee, which has been meeting regularly since 2010, and whose roots date to a St. Louis River Summit convened by the City in 2009. The City will also engage and inform the broader communities involved in this grant by presenting at and attending community meetings convened by several of our Community Based Organization partners listed in Ranking Criteria 3c. Our community involvement process is described more fully in Criteria 3 of the ranking Criteria.

**4. Site Eligibility and Property Ownership Eligibility:**

Not applicable: this is not a site-specific proposal.

**ATTACHMENT 2**

**Letter from the Minnesota Pollution Control Agency  
(State Environmental Agency Overseeing Assessment and Cleanup of  
Contaminated Sites)**

Received

JAN 22 2014



## Minnesota Pollution Control Agency

520 Lafayette Road North | St. Paul, Minnesota 55155-4194 | 651-296-6300

800-657-3864 | 651-282-5332 TTY | [www.pca.state.mn.us](http://www.pca.state.mn.us) | Equal Opportunity Employer

January 16, 2014

Ms. Heidi Timm-Bijold, Director of Business Development  
City of Duluth  
402 City Hall  
411 West First Street  
Duluth, MN 55802

RE: City of Duluth's FY2014 Brownfield Assessment Grant Application  
FY2014 Letter of Support from the MPCA's Brownfield Programs

Dear Ms. Timm-Bijold:

On behalf of the Minnesota Pollution Control Agency (MPCA), we are writing to acknowledge and support the City of Duluth's proposed assessment activities in fulfillment of the criteria of the United States Environmental Protection Agency (EPA) Fiscal Year 2014 Brownfields Community-wide Assessment Grant application guidelines.

The City of Duluth has informed the MPCA that they intend to conduct petroleum and hazardous substances assessment activities on sites throughout Duluth. The City of Duluth intends to focus the assessment activities in the St. Louis River Corridor.

The City of Duluth has worked in partnership with the MPCA on brownfield assessments and cleanups since 1999. The resulting redevelopment projects include as the Loll/Epicurean manufacturing facility (former Polaris/Wilbert Vault), the Clyde Iron/ Heritage Park redevelopment, Cirrus Designs, and IKONICS, among others. The City has worked as a voluntary party or sponsor for the aforementioned projects with the MPCA and understands how to effectively use the technical oversight and liability protection tools available through the MPCA's Brownfield Programs. The MPCA has also worked with the City to use the MPCA's Minnesota Targeted Brownfield Assessment Program funds at several sites in the City.

The MPCA is supportive of the City of Duluth's Community-wide Assessment Grant application. Should this grant be awarded, the MPCA will continue to partner with the City of Duluth to revitalize the economy and environment health of the City.

If you have any questions, please call Shanna Schmitt at 651-757-2697 or Stacey Hendry-Van Patten at 651-757-2425.

Sincerely,

Handwritten signature of Shanna Schmitt in black ink.

Shanna Schmitt, P.G.  
Hydrogeologist  
Site Remediation and Redevelopment Section  
Remediation Division

Handwritten signature of Stacey Hendry-Van Patten in black ink.

Stacey Hendry-Van Patten  
Program Administrator  
Petroleum Remediation and Redevelopment Section  
Remediation Division

SS/SHV:jmp

cc: Linda Mangrum, EPA Region 5  
Kelly Moore, EPA Region 5

**ATTACHMENT 3**

**Letters of Support from Community Based Organizations Identified in  
Ranking Criterion 3c**

January 17, 2014

Heidi Timm-Bijold  
City of Duluth  
411 W. 1st Street, Room 402  
Duluth, Minnesota 55802



Re: FY14 City of Duluth, MN – St. Louis River Corridor Community Assessment Grant.

Dear Ms. Timm-Bijold,

This letter is to express the Duluth Local Initiatives Support Corporation's (Duluth LISC) support of the City of Duluth's application to the EPA's Assessment Grant program for \$400,000 of Hazardous Substances Assessment funds and \$200,000 for Petroleum Assessment funds.

Local Initiatives Support Corporation (LISC) is the nation's largest nonprofit community development intermediary. Our mission is to help transform distressed communities into healthy, sustainable neighborhoods of choice and opportunity to live, do business and raise children. LISC mobilizes corporate, government and philanthropic support to provide local community development organizations with grants, loans and equity investments; technical and management support; local, statewide and national policy assistance and convening assistance to meet local needs and priorities.

Duluth LISC is one of the 31 local LISC sites around the country and we have been actively working to revitalize Duluth's neighborhoods for more than 16 years. Our efforts to build healthy, sustainable communities includes expanding investment in housing and other real estate, stimulating economic development, and supporting healthy environments and life styles. Through our 25 member *At Home in Duluth* collaborative, we have a special focus on carrying out these goals in five older, core neighborhoods including Lincoln Park, which is the targeted neighborhood area for this project.

As the facilitator of the *At Home in Duluth* collaborative, Duluth LISC will work with key community and neighborhood-based organizations who are leaders in implementation of the Lincoln Park Neighborhood Plan to convene discussions around long-range planning for revitalization of the neighborhood. This includes Ecolibrium3, the Lincoln Park Business Group, and One Roof Community Housing and others in partnership with the City.

Duluth LISC strongly encourages the award of these extremely important funds to the City of Duluth. We appreciate the tremendous job that the City has done in utilizing EPA assessment grant funds to assess and mitigate Brownfield sites. Your work has led to substantial investment of private and public resources resulting in new jobs and valuable economic development opportunities in our community. We look forward to securing added funds to continue our progress in building a strong, sustainable local economy, and an improved quality of life for residents of the Lincoln Park neighborhood.

Sincerely,

A handwritten signature in black ink, appearing to read "Pam Kramer".

Pam Kramer  
Executive Director



**St. Louis River Alliance**  
**394 Lake Avenue S, Suite 321**  
Duluth, Minnesota 55802-2338  
Phone: [REDACTED]  
Fax: 218-723-4794

January 20, 2014

Ms. Heidi Timm-Bijold  
City of Duluth  
411 W 1<sup>st</sup> St, Room 402  
Duluth, MN 55802

RE: FY14 The City of Duluth –St Louis River Corridor Assessment Grant

Dear Ms. Timm-Bijold:

This letter is written to express our support for the City of Duluth's application for a Brownfield Assessment Grant (\$400K) for both hazardous substances and petroleum focusing on the St. Louis River Corridor area.

The St. Louis River Alliance is nonprofit citizens-based organization that has been working on the issues and concerns of the St. Louis River Area of Concern since 1996. Our mission is to protect, restore, and enhance the St. Louis River. Our goal is to achieve the delisting of the river as an Area of Concern on the Great Lakes. To help achieve this goal, we recognize the need to be successful in removing contaminants from the river as well as from the brownfields that are within the watershed. These efforts will have a positive impact on the water quality of the river as well as the fish and wildlife habitat on and along the river.

The St Louis River Alliance is an active partner working together with local, state, and federal agencies to implement the Remedial Action Plan for the Area of Concern. Our efforts include restoring the river's beneficial uses. We believe that cleaning up and re-developing existing brownfields is a vital component in helping to restore and protect those beneficial uses.

We support the City's effort to assess and cleanup the brownfields within the St Louis River Corridor for contaminants. Assessments are necessary to determine if and what contaminants are present in these areas so that efforts can then be made to remove them. Cleanup removes ongoing contaminant sources from further endangering the St. Louis River.

For the above listed grants, our organization will help the City by serving as an advisor on possible environmental effects of potential target brownfield sites on the St. Louis River and Lake Superior. We will provide information on potential

public and environmental health benefits that would be gained by the assessment and possible remediation of candidate sites. We will also provide an additional link or outreach to tribal communities and for involving tribal agencies in site selection and reuse decisions.

The City of Duluth has been an important force in the reuse and redevelopment of underused industrial and commercial land throughout Duluth and especially within the Corridor paralleling the St. Louis River/Lake Superior Shoreline from the western edge of Duluth to just east of downtown. The City has also been an active partner in helping to protect the St. Louis River and Lake Superior.

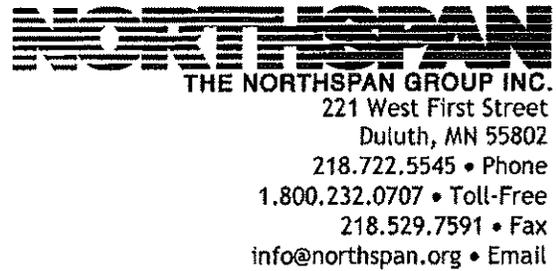
The St. Louis River Alliance is working jointly with the City of Duluth on efforts to seek ways in which the St Louis River can be more accessible to the community for commercial and recreational purposes. The river is a tremendous asset to the community and increasing access to the river will provide economic benefits.

We look forward to working with the City of Duluth on this project. This work will aid the continuation of brownfield redevelopment, the further protection of our waterways, and rejuvenation of our communities. The St Louis River Alliance believes that the City of Duluth has demonstrated that it is very effective in using past assessment funds in the most productive manner.

Sincerely,

A handwritten signature in cursive script that reads "Julene Boe". The signature is written in black ink and is positioned above the typed name.

Julene Boe  
Executive Director



January 17, 2014

Ms. Heidi Timm-Bijold  
City of Duluth  
411 W. 1<sup>st</sup> Street, Room 402  
Duluth, Minnesota 55802

**RE: FY14 City of Duluth, MN – St. Louis River Corridor Community Assessment Grant**

Dear Ms. Timm-Bijold:

This letter is written in support of the City of Duluth's application for EPA-funded Community-Wide Assessment Grant for hazardous substances (\$200K) and petroleum (\$200K) focusing on the St. Louis River Corridor.

The Northspan Group, Inc. is a private, non-profit development corporation created in 1985. Northspan's mission is: To improve the economic well being of our clients and their service areas. Northspan has professional staff with extensive experience in:

- Business development & finance
- Community project & funding development
- Marketing & business recruitment and retention
- Organizational development & strategic planning facilitation
- Workforce and talent development

Northspan has had previous project experience in the area of brownfield redevelopment with the City of Duluth dating back to 1997. Northspan staff serves as a member of the Brownfield Advisory Board for the City of Duluth's current environmental assessment grant process.

The City of Duluth is an active economic development partner. In general, in Duluth, economic development projects require re-development because of the age and lay-out of the City. Northspan has had a long history of working together with the City of Duluth on numerous economic development projects. Some of those projects include:

- Funding and support of Northspan's NorthlandConnection.com regional economic development web portal and database.
- City of Duluth, Cirrus Design Expansion – awarded a Federal Economic Development Administration Public Works Grant.

- Duluth Seaway Port Authority Airpark Expansion – awarded a \$2.1 million Federal Economic Development Administration Public Works Grant.
- Heritage Sports Center Redevelopment Project – awarded a State Redevelopment Grant and Contamination Cleanup Grant to support the Heritage Sports Center at the Clyde Industrial Park brownfield site. Award totals of \$2.9 million.
- Duluth International Airport/North Business Development Area – awarded \$1.3 million in local, state and federal funding for infrastructure development.
- Facilitation of Duluth Economic Development Authority's economic development strategic planning and framework
- Worked with national consultant on Economic Development Strategy for City

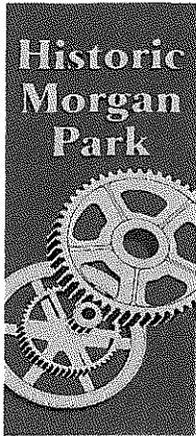
For the Assessment Grant, our organization will partner with the City by providing advice on site selection and prioritization. Our staff experience and real estate database resources are available through Northspan's NorthlandConnection.com web portal providing a perspective on economic development needs, market demand and market absorption rates.

The City has demonstrated continued success in the cleanup and redevelopment of brownfield properties which have leveraged significant investment and major value for the community. Assessments are the critical first step in achieving site cleanup and redevelopment. Funds for environmental assessments aren't easy to come by. We strongly urge you to award the City with a Community Assessment Grant. Thank you for your consideration.

Sincerely,



Randy Lasky  
President



# Morgan Park Community Club

Meets the first Tuesday of each month at 6:30pm. Sept – May

President: Bill Majewski [REDACTED] Treasurer: Kathy Lee [REDACTED]  
Vice-President Zach Geissler Secretary: Jackie Morris: [REDACTED]

Board of Directors: Jill Eckenberg, Josie Hocevar, Amy Johnson,  
Jacqueline Wacker, Shari Mortorelli, Brian Parenteau, Karin Swor, Rose Elliott  
Editor in Chief/Webmaster/ DVD Wizard: John Strongitharm [REDACTED]  
*Our most important member...YOU!*

[Morgan-Park.net](http://Morgan-Park.net)

January 17, 2014

Heidi Timm-Bijold  
411 W. 1<sup>st</sup> Street, Room 402  
Duluth, MN 55802

RE: FY14 City of Duluth, MN – St. Louis River Corridor Community Assessment Grant

Dear Heidi:

The Morgan Park Community Club, on behalf of the residents of Morgan Park, is pleased to offer our support of the City of Duluth's application for the FY14 Brownfields Assessment Grant.

The Morgan Park Community Club is a 501(c)(3) organization working with residents, businesses and other groups dedicated to the betterment of the neighborhood and the surrounding areas. The St. Louis River borders our historic neighborhood and is an important asset for our future. The leaders of our club are excited about the opportunities these funds present for the assessment and subsequent cleanup of land in our neighborhood and throughout the St. Louis River Corridor. The \$400,000 grant for the assessment of the hazardous substances and petroleum at the site within the Project Area is crucial to all of our Riverfront Communities.

We look forward to partnering with the City of Duluth, One Roof Community Housing, the At Home Collaborative and other community organizations on this project. We will serve as an advisor on neighborhood needs and will be a critical partner in involving the Morgan Park neighborhood in site identification and reuse decisions in their proximity.

Sincerely,

William C. Majewski  
[REDACTED]

January 17, 2014

Heidi Timm-Bijold  
411 W. 1<sup>st</sup> Street, Room 402  
Duluth, MN 55802

RE: FY14 City of Duluth, MN – St. Louis River Corridor Community Assessment Grant

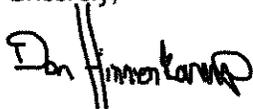
Dear Heidi:

This letter is to express the full support of the Gary-New Duluth Community Club, on behalf of the residents of Gary-New Duluth, is pleased to offer our support of the City of Duluth's application for the FY14 Brownfields Assessment Grant.

The Gary-New Duluth Community Club is a 501(c)(3). We work neighborhood stakeholders, including residents, businesses and other groups dedicated to the betterment of our neighborhood, to improve the quality of life in Gary-New Duluth and the surrounding areas. The St. Louis River borders our historic neighborhood and is an important asset for our future. These funds will offer unparalleled opportunities to assess and subsequently cleanup land in our neighborhood and throughout the St. Louis River Corridor. The \$400,000 grant for the assessment of the hazardous substances and petroleum at the site within the Project Area is crucial to the progress of Riverfront Communities.

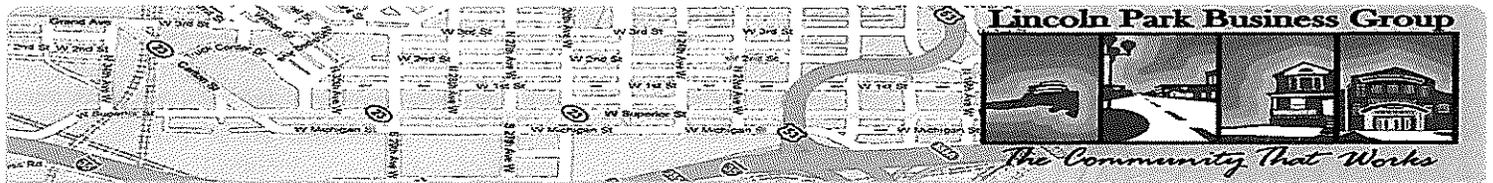
We look forward to partnering with the City of Duluth, One Roof Community Housing and other community organizations on this project. We will continue our working relationship built through the small area planning and health impact assessment processes to serve as an advisor on neighborhood needs and will be a critical partner in involving Gary-New Duluth in site identification and reuse decisions in their proximity.

Sincerely,



Dan Hinnenkamp





January 20, 2014

Heidi Timm-Bijold  
City of Duluth  
411 W. 1<sup>st</sup> Street, Room 402  
Duluth, MN 55802

RE: FY14 City of Duluth, MN – St. Louis River Corridor Community Assessment Grant

Dear Ms. Timm-Bijold:

The Lincoln Park Business Group is excited to present a letter of support for the City of Duluth's application for environmental assessments in the St. Louis River corridor. In the past, these funds have played an integral part in revitalizing our business district and neighborhood.

The Lincoln Park Business Group's role is to lead and promote the revitalization of Lincoln Park through business, economic, and community development. As you are aware, many of the companies that established Duluth as an industrial city were located in Lincoln Park. It is through the wise redevelopment of these industrial properties that Lincoln Park can again prosper.

Our organization and member businesses have previously partnered with the City to complete brownfields and petroleum assessments and to complete remediation work. Without a commitment of funds from the US EPA and the City of Duluth, we recognize that we would have already lost valuable businesses from our neighborhood and would struggle to attract new enterprises. The Lincoln Park Business Group will continue to work with the City as a the lead liaison to neighborhood businesses under this grant.

Thank you for your leadership in brownfields assessment and redevelopment. As a low-income neighborhood that has struggled with business revitalization and neighborhood connection to the river, we feel that this program is essential to our future. Please let us know if there are additional ways in which we can support the City's St. Louis River Corridor Community Assessment Grant application.

Sincerely,

A handwritten signature in black ink that reads "Bill Berg".

Bill Berg  
President



**ecolibrium3**  
G R O W I N G   I D E A S

January 17, 2014

Heidi Timm-Bijold  
City of Duluth  
411 W. 1<sup>st</sup> Street, Room 402  
Duluth, MN 55802

Re: FY14 City of Duluth, MN – St. Louis River Corridor Community Assessment Grant

Dear Ms. Timm-Bijold:

Please accept this letter in support of the City of Duluth-St. Louis River Corridor Community Assessment Grant to the US Environmental Protection Agency. We believe the strategy of assessing formerly developed sites and remediating environmental contamination is key to accomplishing our neighborhood revitalization and environmental development goals.

Ecolibrium3 serves as the At-Home in Duluth Collaborative's lead agency in Lincoln Park, one of the focus neighborhoods for this grant application. Our overall mission is to assist individuals, businesses, and communities in creating balanced environmental and economic solutions for a more sustainable future. We believe that infill redevelopment of old industrial properties in our neighborhood aligns perfectly with this mission and look forward to working in partnership with the City of Duluth on this grant.

Currently, Ecolibrium3 administers the Duluth Energy Efficiency Program which received the US EPA Climate Showcase Communities Program's Seeds of Change Award in 2013 for going above and beyond the implementation of our grant project and inspiring replication by working with other communities to pass along knowledge, skills, and lessons learned. Through our Climate Showcase Communities work, we have been witness to the impact created by judicious investment in our community's built environment. Environmental assessments, reuse planning, and remediation activity is another important example of investment that can lead to a stronger economy and healthier environment and we support continued progress in this area.

In order to support this important work, Ecolibrium3 will partner with the City of Duluth in the Lincoln Park neighborhood. We will assist in development of communication strategies with neighborhood residents and businesses to include information distributed through our Lincoln Park Neighborhood online portal, showcasing of grant work at the Connecting the Dots – Lincoln Park Edition community celebration, and integration into our neighborhood engagement strategies for the upcoming small area plan development. Ecolibrium3 may also utilize the assessment tools in partnership with other organizations as we explore a development to address the Lincoln Park food desert issue.

Ecolibrium3 appreciates the leadership that the City has taken to reinvest in older core neighborhoods, to address the historical contamination left by our industrial past, and to create a vision for a more environmentally and economically sustainable future. We wish the City success in its application and look forward to working with you on implementation.

Sincerely,

Jodi Slick  
CEO

## **ATTACHMENT 4**

### **Documentation Indicating Leveraged Funds are Committed to the Project**

	<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>  <b>Cooperative Agreement</b>	<b>GRANT NUMBER (FAIN):</b> 00E01083 <b>MODIFICATION NUMBER:</b> 0 <b>PROGRAM CODE:</b> BF	<b>DATE OF AWARD</b> 08/21/2012
		<b>TYPE OF ACTION</b> New	<b>MAILING DATE</b> 08/28/2012
		<b>PAYMENT METHOD:</b> ASAP	<b>ACH#</b> 50053
		<b>RECIPIENT TYPE:</b> Municipal	
<b>RECIPIENT:</b> City of Duluth 411 W. 1st. Street - Room 208 Duluth, MN 55802-1192 EIN: 41-6005105		<b>PAYEE:</b> City of Duluth 411 W. 1st. Street - Room 208 Duluth, MN 55802-1192	
<b>PROJECT MANAGER</b> Heidi Timm-Bijold 411 W. 1st. Street - Room 208 Duluth, MN 55802-1192 E-Mail: htimm@duluthmn.gov Phone: 218-730-5324	<b>EPA PROJECT OFFICER</b> Rosita Clarke 77 West Jackson Blvd., SM-7J Chicago, IL 60604-3507 E-Mail: Clarke.Rosita@epamail.epa.gov Phone: 312-886-7251	<b>EPA GRANT SPECIALIST</b> Madeline Rucker Assistance Section, MC-10J E-Mail: rucker.madeline@epa.gov Phone: 312-886-7180	
<b>PROJECT TITLE AND DESCRIPTION</b> City of Duluth 2012 Revolving Loan Fund Grant This project provides funding for the City of Duluth, Minnesota to capitalize a Revolving Loan Fund (RLF) from which to make loans and subgrants to cleanup brownfield sites(s), and conduct other necessary activities to prudently manage the RLF. Specifically the City of Duluth will make low-interest loans for clean-up of properties contaminated with hazardous substances. The grant funds will be available for sites city-wide, with special emphasis on the St. Louis River Corridor.			
<b>BUDGET PERIOD</b> 10/01/2012 - 09/30/2017	<b>PROJECT PERIOD</b> 10/01/2012 - 09/30/2017	<b>TOTAL BUDGET PERIOD COST</b> \$780,000.00	<b>TOTAL PROJECT PERIOD COST</b> \$780,000.00
<b>NOTICE OF AWARD</b>			
<p>Based on your application dated 07/20/2012, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$650,000. EPA agrees to cost-share 83.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$650,000. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.</p>			
<b>ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)</b>		<b>AWARD APPROVAL OFFICE</b>	
<b>ORGANIZATION / ADDRESS</b> U.S. EPA Region 5 Mail Code MCG10J 77 West Jackson Blvd. Chicago, IL 60604-3507		<b>ORGANIZATION / ADDRESS</b> U.S. EPA, Region 5 Superfund Division 77 West Jackson Blvd., S-6J Chicago, IL 60604-3507	
<b>THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			
<b>Digital signature applied by EPA Award Official</b> Cyndy Colantoni - Associate Director for Resources Management			<b>DATE</b> 08/21/2012
<b>AFFIRMATION OF AWARD</b>			
<b>BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION</b>			
<b>SIGNATURE</b> 	<b>TYPED NAME AND TITLE</b> Don Ness, Mayor		<b>DATE</b> 9-27-12

# **ATTACHMENT 5**

## **Other Factors Checklist**

### Appendix 3 Other Factors Checklist

Name of Applicant: City of Duluth, MN

Please identify (with an **X**) which, if any of the below items apply to your community or your project as described in your proposal. To be considered for an Other Factor, you must include the page number where each applicable factor is discussed in your proposal. EPA will verify these disclosures prior to selection and may consider this information during the selection process. If this information is not clearly discussed in your narrative proposal or in any other attachments, it will not be considered during the selection process.

	<b>Other Factor</b>	<b>Page #</b>
	Community population is 10,000 or less	
	Federally recognized Indian tribe	
	United States territory	
	Applicant will assist a Tribe or territory	
	Targeted brownfield sites are impacted by mine-scarred land	
	Targeted brownfield sites are contaminated with controlled substances	
X	Recent natural disaster(s) (2006 or later) occurred within community, causing significant community economic and environmental distress	1, 5
X	Project is primarily focusing on Phase II assessments.	9
X	Applicant demonstrates firm leveraging commitments for facilitating brownfield project completion by identifying amounts and contributors of funding in the proposal and have included documentation	10
X	Community experienced manufacturing plant closure(s) (2008 or later) tied to the targeted brownfield sites or project area, including communities experiencing auto plant closures due to bankruptcy or economic disruptions.	1
	Recent (2008 or later) significant economic disruption ( <u>unrelated</u> to a natural disaster or manufacturing/auto plant closure) has occurred within community, resulting in a significant percentage loss of community jobs and tax base.	
	Applicant is a recipient or a core partner of a HUD-DOT-EPA Partnership for Sustainable Communities (PSC) grant that is directly tied to the project area, and can demonstrate that funding from a PSC grant has or will benefit the project area. To be considered, <u>applicant must attach documentation</u> which demonstrates this connection to a HUD-DOT-EPA PSC grant.	
	Applicant is a recipient of an EPA Brownfields Area-Wide Planning grant	
X	Community is implementing green remediation plans.	13
X	Climate Change	1