EXECUTIVE SUMMARY

TITLE: Grant Applications for the PLACE Project

RECOMMENDED ACTION:
1) Motion to Adopt EDA Resolution authorizing the submission of a grant application to the Department of Employment and Economic Development (DEED) Contamination Clean-up Grant Program on behalf of the PLACE project;
2) Motion to Adopt EDA Resolution authorizing the submission of a grant application to the Metropolitan Council Tax Base Revitalization Grant Program on behalf of the PLACE project;
3) Motion to Adopt EDA Resolution authorizing a grant application to the Metropolitan Council Livable Communities Transit Oriented Development (LCA-TOD) Program for development activities for PLACE.

POLICY CONSIDERATION: Does the EDA support submitting grant applications to assist in environmental cleanup and transit oriented development activities by PLACE for its proposed redevelopment at the SE quadrant of Highway 7 and Wooddale Ave?

SUMMARY: Last fall, the EDA applied for contamination clean-up grants from Hennepin County and Department of Employment and Economic Development (DEED) on behalf of PLACE to help defray the cost of mitigating the contaminated soils found on-site. Hennepin County awarded the EDA a $92,230 ERF grant, however, DEED did not award any funds as it believed the project was not fully prepared to proceed. This spring PLACE is once again requesting the EDA apply for approximately $600,000-$800,000 in contamination clean up grants from the Metropolitan Council and DEED in another attempt to mitigate costs associated with the cleanup of the contaminated soils on-site. The clean-up grant applications are due May 1.

PLACE is also requesting the EDA to apply for a $850,000 Livable Communities Transit Oriented Development (LCA-TOD) grant from Metropolitan Council for public infrastructure and placemaking elements to be incorporated in the PLACE project. All of these grant applications require a resolution of support from the governing body of the city where the project is located. The resolutions are attached.

FINANCIAL OR BUDGET CONSIDERATION: The EDA is the designated applicant for the grants but has no financial obligation other than to serve as the conduit for the grant funds.

VISION CONSIDERATION: St. Louis Park is committed to providing a well-maintained and diverse housing stock.

SUPPORTING DOCUMENTS: Discussion
EDA Resolutions

Prepared by: Julie Grove, Economic Development Specialist
Reviewed by: Greg Hunt, Economic Development Coordinator
Michele Schnitker, Housing Supervisor/Deputy CD Director
Approved by: Tom Harmening, City Manager
DISCUSSION

BACKGROUND: Environmental investigations were completed last fall on the proposed PLACE redevelopment sites located at the SE quadrant of Highway 7 and Wooddale Ave and the northeast corner of W 36th Street and Wooddale Ave. It was determined soils in portions of both sites are contaminated with diesel range organics, arsenic, cadmium, silver, lead and perchloroethylene. In addition, underground tanks were found on the McGarvey site and old railroad ties were found on the site to the north, adjacent to the railroad tracks. The sites are also contaminated with soil gases, specifically volatile organic compounds (VOCs) which will require vapor mitigation.

To address the above contamination, grant funds were requested last fall from DEED’s Contamination Cleanup grant program and Hennepin County’s Environmental Response Fund. Hennepin County awarded the EDA $92,230. DEED chose not to award any grant funds as it believed the project was not fully prepared to proceed.

This spring, PLACE has requested the EDA reapply for the DEED Contamination Cleanup grant and for a Metropolitan Council Tax Base Revitalization Grant to help mitigate the costs associated with the cleanup of the contaminated soils. The total amount of cleanup funds being requested from the Metropolitan Council and DEED is approximately $600,000-$800,000. These grant applications are due May 1, 2017. Grant awards are anticipated to be announced in late June or early July.

PLACE is also requesting the EDA apply for LCA-TOD grant funds from the Metropolitan Council in the amount of $850,000 to be used for: solar panels, a placemaking plaza (woonerf), and public art. This grant program requires the submittal of a project concept plan application on May 4th and full application is due June 29th.

Each grant requires a resolution from the governing body of the city where the project site is located indicating that it supports the project. A resolution for each grant application is attached. It should be noted that approving an authorizing resolution and resolution of support for the grants does not mean the EDA is or will approve the PUD or Plat and TIF applications. These grant applications do not require a matching contribution from the EDA. The EDA will serve as the conduit and administrator of the funds.

PLACE redevelopment has thus far received the following grants.

- $100,000 - Metropolitan Council Livable Communities Transit-Oriented Development Pre-Development Grant.
- $2,000,000 – Metropolitan Council Livable Communities Demonstration Account Transit-Oriented Development Grant.
- $750,000 – Hennepin County Transit-Oriented Development Grant.
- $385,000 Xcel Energy Efficiency Grant.
- $92,230 Hennepin County ERF clean up Grant.
EDA RESOLUTION NO. 17-____

RESOLUTION APPROVING A GRANT APPLICATION TO THE DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT AND APPROVING LOCAL MATCHING FUNDS ON BEHALF OF PLACE

WHEREAS, the St. Louis Park Economic Development Authority (“EDA”) has agreed to act as the legal sponsor for the Project referred to as PLACE, contained in the Contamination Cleanup Grant application submitted to the Department of Employment and Economic Development (DEED) on or before May 1, 2017; and

WHEREAS, the City of St. Louis Park is located within the seven county metropolitan area defined in section 473.121, subdivision 2, and is participating in the local housing incentives program under section 473.254.

WHEREAS, the St. Louis Park EDA has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration; and

WHEREAS, the sources and amounts of the local match identified in the application are committed to the project identified and the advance of such funds is subject to the final approval of the EDA; and

WHEREAS, the St. Louis Park EDA has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice; and

WHEREAS, upon approval of its application by the state, the St. Louis Park EDA may enter into an agreement with the State of Minnesota for the above referenced Project, and that the St. Louis Park EDA certifies that it will comply with all applicable laws and regulation as stated in all contract agreements;

WHEREAS, the St. Louis Park EDA has approved the Contamination Cleanup grant application submitted to the DEED on May 1, 2017, for the PLACE site.

NOW, THEREFORE, BE IT RESOLVED that the President and Executive Director are hereby authorized to apply to the DEED for funding of this project on behalf of the St. Louis Park EDA and execute such agreements as are necessary to implement the grant on behalf of the applicant.

I CERTIFY THAT the above resolution was adopted by the St. Louis Park Economic Development Authority on, April 17, 2017.

Reviewed for Administration: Adopted by the Economic Development Authority, April 17, 2017

Thomas K. Harmening, Executive Director Anne Mavity, President

Attest

Melissa Kennedy, Secretary
EDA RESOLUTION NO. 17-____

RESOLUTION AUTHORIZING APPLICATION FOR THE METROPOLITAN COUNCIL TAX BASE REVITALIZATION ACCOUNT ON BEHALF OF PLACE

WHEREAS, the City of St. Louis Park is a participant in the Livable Communities Act's Local Housing Incentives Account Program for 2017 as determined by the Metropolitan Council, and is therefore eligible to make application for funds under the Tax Base Revitalization Account; and

WHEREAS, the St. Louis Park Economic Development Authority (“EDA”) has identified a clean-up project within the City that meets the Tax Base Revitalization account's purposes and criteria and are consistent with and promote the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council’s adopted metropolitan development guide; and

WHEREAS, the St. Louis Park EDA has the institutional, managerial and financial capability to ensure adequate project administration; and

WHEREAS, the St. Louis Park EDA certifies that it will comply with all applicable laws and regulations as stated in the contract agreements; and

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

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

NOW, THEREFORE, BE IT RESOLVED that the President and Executive Director are hereby authorized to apply to the Metropolitan Council for a Tax Base Revitalization Account grant and, if the St. Louis Park EDA is awarded a Tax Base Revitalization Account grant for this project, the EDA will be the grantee and agrees to act as legal sponsor to administer and be responsible for grant funds expended for the project contained in the Tax Base Revitalization grant application submitted on May 1, 2017.

Reviewed for Administration: Thomas K. Harmening, Executive Director

Adopted by the Economic Development Authority, April 17, 2017

Anne Mavity, President

Attest

Melissa Kennedy, Secretary
EDA RESOLUTION NO. 17-____

RESOLUTION AUTHORIZING AN APPLICATION
TO THE METROPOLITAN COUNCIL LIVABLE COMMUNITIES TRANSIT ORIENTED DEVELOPMENT FUNDING ON BEHALF OF PLACE

WHEREAS, the St. Louis Park Economic Development Authority ("EDA") is eligible to apply for Livable Communities Demonstration Account funds on behalf of cities participating in the Livable Communities Act’s ("LCA") Housing Incentives Program for 2015 as determined by the Metropolitan Council; and

WHEREAS, the EDA has identified a proposed TOD Project within the City of St. Louis Park that meets the Demonstration Account’s purposes and criteria and is consistent with and promotes the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council’s adopted metropolitan development guide; and

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

WHEREAS, the EDA certifies that it will comply with all applicable laws and regulations as stated in the grant agreement; and

WHEREAS, the EDA acknowledges Livable Communities Demonstration Account grants are intended to fund projects or project components that can serve as models, examples or prototypes for development or redevelopment elsewhere in the region, and therefore represents that the proposed projects or key components of the proposed projects can be replicated in other metropolitan-area communities; and

WHEREAS, only a limited amount of grant funding is available through the Metropolitan Council’s Livable Communities Demonstration Account initiative during each funding cycle and the Metropolitan Council has determined it is appropriate to allocate those scarce grant funds only to eligible projects that would not occur without the availability of Demonstration Account grant funding.

NOW THEREFORE BE IT RESOLVED that, the St. Louis Park EDA authorizes its’ Executive Director to submit an application for Metropolitan Council Livable Communities Demonstration Account grant funds for the project components identified in the application, and to execute such agreements as may be necessary to implement the projects on behalf of the St. Louis Park EDA, where the project is located.

Reviewed for Administration:  Admitted by the Economic Development Authority, April 17, 2017

Thomas K. Harmening, Executive Director  Anne Mavity, President

Attest

Melissa Kennedy, Secretary