

**DRAFT FY 2012 EPA Cleanup Grant Application: Ranking Criteria
Beacon Bluff Parcel 3-Central - Saint Paul Port Authority, Saint Paul, Minnesota**

1. Community Need [15]:

The Beacon Bluff Parcel 3-Central Site (the Site) represents __ acres of the former 46.5-acre former 3M campus (comprised of laboratory, manufacturing facilities and offices) located in the Phalen Corridor project area. 3M Corporation's Saint Paul Campus was a focal point of employment and manufacturing for Saint Paul's East Side for the better part of the 20th Century. Over the last few decades, however, 3M's use of the Campus decreased. Many of the campus buildings became obsolete and no longer met the needs of 3M's 21st Century manufacturing operations. 3M gradually relocated its employees from the Saint Paul Campus to its newer suburban Maplewood campus. 3M marketed its Saint Paul Campus to the private sector for sale and reuse and/or redevelopment for approximately 18 months, but received only two offers from the private sector. Both offers were for reuse of buildings with low or no job-density.

The Saint Paul Port Authority (SPPA) purchased the 9 parcels comprising the campus and assembled them with an additional 15 acres of former, SPPA-owned brownfield property. The SPPA's redevelopment goal for the resulting 61.5-acre property is Beacon Bluff, a business center that will provide new, well-paying jobs while meeting the community's expectations for historical sensitivity and neighborhood- friendliness. The SPPA's overarching goal is to bring back the jobs and tax base lost with 3M Corporation's departure.

The SPPA's mission is to maintain and expand the economic prosperity of Saint Paul by retaining and creating new jobs for community residents. One of the chief means of accomplishing this goal is the re-development of formerly used industrial and commercial properties into new commercial/industrial business centers. However, because of the size of the 3M property, its setting in of mixed residential/commercial land use, and the historic significance of the property to the community, the end-use vision for the Beacon Bluff project is more broadly defined than the standard SPPA project.

a. Health, Welfare and the Environment (8):

The Site is located at the nexus of the Payne/Phalen and Dayton's Bluff neighborhoods. It represents __ acres of brownfield property and is surrounded by the remaining 57 acres of the proposed Beacon Bluff redevelopment, all of which is brownfield acreage. In addition to this immediate brownfield burden, the MPCA's "What's In My Neighborhood" Database of contaminated and potentially contaminated sites lists 20 leak sites and 11 Voluntary Investigation and Cleanup Program sites within one mile of the Site. The SPPA has sought cleanup grants for four Properties located within a half mile of the Site.

Within Saint Paul, brownfield sites are strongly concentrated along transportation corridors, including the Great Northern Corridor (3.0 miles west of Site), Rice Street Corridor (2.5 miles west of the Site), and Phalen Corridor (which includes the Site), where large, industrial job centers were formerly located. These job centers employed thousands of neighborhood residents and unified their communities. Job losses due to the closing of 3M, Whirlpool, Maxson Steel, Stroh Brewery and others altered the economic and cultural landscape. Jobs left the core city, and residents with disposable incomes followed. As a result, commercial corridors slipped from

thriving prosperity to blighted decline, which has in turn depressed property values in adjacent neighborhoods.

The previous version of the City’s Comprehensive Plan (2004) estimated that there were approximately 1000 acres of brownfield sites in Saint Paul. However, it is clear that this number greatly underestimates the problem. The current Comprehensive Plan (February 2010) acknowledges that approximately 1,000 acres have already been assessed, cleaned up and redeveloped by the SPPA and the City. Notably, the Comprehensive Plan calls an inventory of brownfield sites to inform the development of a strategic area-wide plan for effective reuse of brownfield sites.

At Site, the contaminants of concern include poly-nuclear aromatic hydrocarbons (PAHs), often characterized by benzo(a)pyrene equivalents, and diesel range organics (DRO). For the remaining former 3M parcels, similar contaminants are typically present in addition to chlorinated and non-chlorinated volatile organic compounds (VOCs), and metals including lead and chromium. The health effects associated with these contaminants are listed here:

Health Effects Associated With Contaminants of Concern at Parcel 3-Central and Nearby Beacon Bluff Parcels ¹

Contaminant of Concern	Health Effect
PAHs	
DRO (heavy fraction petroleum compounds)	
Lead	
Chromium	
Chlorinated VOCs	
Non-chlorinated VOCs	

The Site and the remaining Beacon Bluff parcels are located in close proximity to residential neighborhoods, parks and recreational areas. Residents, including sensitive populations, are potentially exposed to these contaminants via direct contact, inhalation of airborne particulates, and vapor intrusion pathways. Surface Water run-off from the Site and nearby brownfield sites enters the Mississippi River via the Phalen Creek Watershed. Site ground water is directly contaminated via leaching of contaminants and although ground water is not a drinking water source in Saint Paul, ground water beneath the Site discharges to the Mississippi River via the Phalen Creek Watershed.

The residential neighborhoods surrounding the Site have higher proportions of sensitive populations (low income, foreign-born, minority and children) than the rest of the City or the State. The demographic information in the table under Section 1.b, Financial Need, represent the four census tracts that house and surround the Beacon Bluff Site (Census Tracts 315, 316 and 331 and 317.01 for Census 2010 - 317 for ACS 2005-2009 data).

Insert public health information for Saint Paul and/or neighborhoods – blood lead levels, asthma, obesity, low birth weights.

¹ Source = Agency for Toxic Substances and Disease Control (ATSDR) [MORE](#)

In summary, brownfields represent a threat to public health, human health and the environment in Saint Paul as a whole. These threats range from disruption of community connectivity, lost opportunity for jobs and recreational facilities. Brownfield sites also serve as contaminant sources relative to residents and site users, as well as to ground water and the Mississippi River. The cleanup grant will provide the SPPA with the resources to help remove the contamination present at the Site, reducing or eliminating exposure routes to these contaminants.

b. Financial Need (7)

The neighborhoods targeted by this grant proposal (Payne/Phalen and Dayton’s Bluff) are among the most impoverished in Saint Paul. As demonstrated by the Demographics Table, the poverty rate exceeds that of the City average. Poverty rates are even more exaggerated for children (cite numbers) and minority populations (cite numbers). Unemployment rates for the community are much higher than the City rate, with minority unemployment rates exceeding even the community average. *Insert additional gathered data on foreign born, children, children in poverty)*

Demographic Information for Target Community

	Target Community	Saint Paul	Ramsey Co	State	Nation
Population ¹	10,991	285,068	508,640	5,303,925	308,745,538
Unemployment ²	11.2% / -	8.5% / 6.8%	7.2% / -	5.9%	9.6% / 8.8%
Poverty Rate ³	37.1%	19.8%	14.2%	10%	13.5% 14.3%
Percent Minority ¹	64.7%	39.9%	29.9%	14.7%	27.6%
Per Capita Income ³	\$12,367	\$25,587	\$29,045	\$29,431	\$26,530

¹Population data from 2010 U.S. Census data

²Unemployment data – first number is from 2005-2009 American Community Survey (ACS) as summarized by Social Explorer (SocialExplorer.com) in order to provide fair comparison between all populations; second number is from MN Department of Employment and Economic Development Local Unemployment Statistics summary of Bureau of Labor Statistics reports for September 2011; this data is not available at the census tract level.

³Poverty Rate and Per Capital Income Data is from 2005-2009 ACS Data (in order to provide fair comparison between populations) as compiled by Social Explorer

Clearly, the demographics of the neighborhood demonstrate that a primal community need is jobs for residents. As further described in Criterion 4, the SPPA and its partners have the “machinery” in place to revitalize underused and abandoned properties and create jobs for Saint Paul’s older, poorer, less livable neighborhoods. Tasked with the stewardship of industrial job growth in Saint Paul, the SPPA must reclaim brownfield property to attract job-creating businesses. The SPPA’s approach has involved assessing and cleaning up brownfield properties one at a time, marketing these properties on a nationwide basis, and working with the buyers to redevelop the land into business centers. The SPPA then works with partner organizations to

provide job training programs for local residents, and requires that the business centers track job creation within the business centers.

The SPPA has industrial users inquiring after developable property and needs to retain an inventory of land ready for these opportunities. However, one of the primary barriers to being able to provide access to developable property is the cost of assessment and cleanup up of contaminated properties.

Factors Limiting Other Funding Opportunities; Need for Additional EPA Funds

The City's 2010 Land Use Plan estimates that there are approximately 1000 acres of brownfield properties in Saint Paul. The Plan states: "Ideally, the City would need about \$20 million dollars per year for the next 20 years to redevelop all of these sites. (Redevelopment costs include acquisition, relocation, and infrastructure as well as land clean-up.)" Cleanup and redevelopment costs are the chief obstacle to the timely reclamation of these lands. The SPPA has found that they must be prepared to deliver clean sites to potential new light manufacturing business in order to be competitive against other cities throughout the nation who are also seeking to attract job-creating businesses.

Although the SPPA does have three existing EPA cleanup grants, none is specific to the cleanup of the Site. The existing EPA RLF funding is targeted for loans supporting the second phase of cleanup at the Minnehaha Site, and for the cleanup of Beacon Bluff Parcel 2.

As stated in the threshold criteria, the estimated cleanup cost for the Site, based upon our MPCA-approved Response Action Plan, is \$260,000 to \$600,000, depending upon the selected redevelopment scenario. The Port Authority has obtained grant funds from the State and regional grant programs for the entire Beacon Bluff Redevelopment Project and is in the process of seeking more (as detailed in Section 2biii). Approximately \$XX of these grants may be available for the Site cleanup discussed here. Additional costs of at least will be paid out of SPPA general funds.

2. Project Description and Feasibility of Success [50]

a. Project Description (10)

i) Conditions of the existing property; proposed redevelopment: The proposed grant will be used to help fund the cleanup of the Site. The SPPA is also applying for a companion cleanup grant for the Parcel 3-North Site. Beacon Bluff Parcel 3-Central Site is part of a larger, visionary redevelopment of the 3M's former Saint Paul Campus, which was used for the manufacture of tapes and adhesives. The SPPA purchased the original 3M Main Plant Campus in 2009 with the intention of preparing it for redevelopment as "Beacon Bluff," a business center. The Campus is comprised of 9 parcels of property and encompasses 46.5 acres. Parcels 3-South and 5 are already remediated and are being marketed nation-wide. Cleanup of Parcels 2, 4 and 6 is underway. Parcels 3-Central and 3-North are the next remediation targets.

In the early 1900s, 3M began operations in the area with the construction of the original abrasives plant in Building #1 located on the Parcel 3-North Site. Over the next several decades 3M expanded, redeveloping properties that were formerly occupied by residences, lumber yards, fuel, coal and ice companies, a foundry and ironworks, automotive businesses, a dry cleaner, an electrical substation other commercial businesses and banks. The original 3M Company headquarters building is located at 900 Bush Avenue on Parcel 3-Central Site.

The Site, including its existing building (Buildings #21), is currently unoccupied. The land is presently zoned industrial. Phase I and II Environmental Site Assessments (ESAs) were completed for the Site. The primary Phase I and II ESA reports are listed in the threshold criteria in Attachment 1. The results of the collective Phase I and II Investigations are summarized below for Parcel 3-Central Site.

Soil data indicated Parcel 3-Central had low (<50 mg/kg diesel range organics –DRO) levels of petroleum contamination likely the result of historic operations and/or importation of contaminated fill.

Groundwater is impacted with arsenic slightly above the EPA Maximum Contaminant Level (MCL) of 10 µg/L for public drinking water systems. The source of the arsenic is most likely natural background; groundwater in glacial sediments throughout Minnesota has been found to be impacted with arsenic above the MCL. Groundwater on Parcel 2, immediately east-adjacent to Parcel 3-Central, is also impacted with VOCs above MDH drinking water standard. 3M is in the process of remediating the groundwater through soil vapor extraction activities on Parcel 2.

Soil vapor data indicate that VOC vapors are present throughout the Site in excess of the MPCA Intrusion Screening Value (ISV) for industrial uses.

Geologic maps and water well logs in the Site vicinity indicate that the surficial soils are comprised of 100 to 200 feet of glacial melt water stream sediment consisting of medium- to coarse-grained sand with gravel. The uppermost bedrock underlying the Site is limestone of the Platteville Formation or St. Peter Sandstone. Monitoring wells and previous soil borings drilled in the area indicate fill and glacial coarse alluvial soils to 50 feet below ground surface (bgs). Depth to groundwater ranges about 40 to 70 feet bgs on the Site. The regional surficial groundwater gradient under the Site slopes downward west-southwest towards the Mississippi River.

ii) Proposed cleanup plan

A Master Response Action Plan (RAP) and Construction Contingency Plan (CCP) has been prepared for the entire Beacon Bluff 3M brownfield site by the SPPA and approved by the MPCA. The Master RAP includes the Cleanup Goals for the Site based on an industrial reuse. The Cleanup Goals are based on: MPCA Industrial Soil Reference Values (SRVs) and Tier 1 Soil Leaching Values (SLVs) for soil, Minnesota Department of Health Health Risk Limits (HRLs) and Maximum Contaminant Levels (MCLs) for groundwater, and MPCA Industrial Intrusion Screening Values (ISVs) for soil vapor. In addition, a DRO/GRO Cleanup Goal of 500 mg/kg applies to the Site. The CCP, which is included in the Master RAP, provides a plan for characterizing and remediating unanticipated contamination that is discovered during planned remediation activities or while excavation for redevelopment is occurring (i.e., stormwater ponds, utilities, building site geotech correction and site grading).

Imported clean fill not originating from the Site will conform to the MPCA's guidance document concerning Best Management Practices for Off-Site Reuse of Excess Fill Material from Developed Sites.

The MPCA staff in the Voluntary Investigation and Cleanup Program will oversee the cleanup. In addition, The SPPA's environmental consultant will monitor cleanup activities on a daily basis as specified in the Master RAP/CCP: they will collect samples evaluate data, observe contractor operations, and report progress to the SPPA and MPCA.

Currently, the Port Authority and the community are focused on two reuse scenarios for Parcel 3-Central. **Scenario 1** retains Building 21 for commercial purposes. **Scenario 2** involves the demolition of Building 21, with construction of a new office/commercial/light industrial building (40,000 square feet). These reuse scenarios are further explored in the ABCA in Attachment 3.

The scenarios share some elements in common: both will require the same asbestos, lead paint and hazardous materials abatement in the existing buildings, and both will require the implementation of a soil management CCP. The presence of contamination in soils limits how and whether the soil can be reused on-site. Soils will need to be screened constantly during site work for the presence of contamination and managed in accordance with the guidelines presented in the RAP, depending upon contaminant presence and concentrations.

The Response Action Plan elements are described in the following table for each of the reuse scenarios:

Remediation Components – Parcel 3 North

Cleanup Component	Scenario 1 (Commercial Reuse of 21)	Scenario 2 Demolition of Existing Building and Construction of a New 40,000 Sq. Ft. commercial/light industrial structure
Excavation and removal of soil contamination present above cleanup goals and implementation of soil management Construction Contingency Plan	Implementation of soil management Construction Contingency Plan during site preparation for remainder of Site	Implementation of soil management Construction Contingency Plan during site preparation and construction.
Soil vapor mitigation	Install active Soil Vapor Extraction system to protect existing buildings.	Install soil vapor liner and passive vent system under new buildings.
Engineering controls	Operation and maintenance of active soil vapor extraction system. Maintenance of parking surfaces.	Maintenance of parking surfaces.
Asbestos Containing Materials, lead paint, and hazardous materials – abatement and disposal	Remove and dispose of asbestos containing materials, lead paint, and hazardous materials	Remove and dispose of asbestos containing materials, lead paint, and hazardous materials
Contaminated concrete floors	Seal and top-coat	N/A
Building demolition	N/A	All buildings demolished

Institutional Controls	Implementation of Institutional Controls	Implementation of Institutional Controls
Estimated total cost:	\$1,816,000	\$728,000

b. Budget, Tracking and Leveraging Other Resources (20)

i. Budget Table (10)

Proposed Budget – Beacon Bluff Parcel 3-Central Cleanup Grant

Budget Categories	Project Tasks					Total (\$)
	Task 1 ¹ (\$)	Task 2 ² (\$)	Task 3 ³ (\$)	Task 4 ⁴ (\$)	Task 5 ⁵ (\$)	
Personnel	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Supplies	0	0	0	0	0	0
Contractual	0	0	10,000	185,000	0	195,000
Other	0	0	0	5,000	0	5,000
Subtotal – Grant \$	0	0	10,000	190,000	0	200,000
Cost Share \$	0	0	0	40,000	0	40,000
Total - \$	0	0	10,000	230,000	0	240,000

¹ - **Task 1 = Site-Specific Community Involvement:** Community involvement in the final cleanup decision will be achieved through public meetings, public announcements, and public comment. The SPPA will pay for this task with other funds.

² - **Task 2 = Hire Consultant to Conduct Cleanup:** The SPPA will use their standard procurement process (which provides a broad and fair opportunity to bid and is consistent with 40 CFR 31.36) to hire consultant to conduct the work under this grant. Other SPPA funds will be used to pay for this task.

³ - **Task 3 = Prepare Quality Assurance Program Plan (QAPP):** The selected consultant will prepare a QAPP in consultation with the EPA. If SPPA selects a consultant who already has a prepared brownfield QAPP, this cost may decrease. In this event, or in the event that a QAPP is not necessary, the identified funds will be redirected to Task 4.

⁴ - **Task 4 = Conduct Site Cleanup:** The consultant will conduct the hazardous substances cleanup in accordance with guidelines maintained by the MPCA VIC Program. The Cost Share line item represents non-Cleanup Grant funds that the SPPA will provide toward meeting the anticipated cleanup costs; these funds will be comprised of State or local cleanup grant funds, which have already been awarded. The “other” line item represents the user fees associated with MPCA VIC Program oversight.

⁵ **Task 5 = Eligible Grant Management Activities:** This task includes coordination with EPA and meeting requirements of the cooperative agreement, including reporting. The SPPA will use other funds to pay for these oversight costs.

ii. Plan for Tracking and Measuring (5)

The SPPA intends to continue their current methods of tracking progress, by completing the quarterly reports and associated ACRES Database input. In addition, the SPPA has clear objectives each time it undertakes the cleanup of a brownfield property. The SPPA maintains accurate accounting records of the private and public funds leveraged at each of its redevelopments. Each redevelopment results in the creation of either a “Business Center” or a “Business Site.” The SPPA enters into legal covenants with the businesses who purchase our remediated properties; they are required by our Workforce Agreements to collect specific data. This allows the SPPA to maintain detailed records of the number of jobs created, wages, public/private investment, and the taxes generated from each project.

Specifically, we will track the following outputs for this grant: Acres cleaned up, and public cleanup dollars leveraged (local, state and federal), and the number of community meetings held in association with the cleanup and reuse of the Site. These outputs will lead to the following outcomes, which will also be tracked: tax base increase, jobs created, jobs retained, business centers created, private development dollars leveraged, public development dollars leveraged (local, state and federal).

iii. Leveraging (5)

The proposed cleanup grant funds will be an important component of the cleanup of the Site. The scope and magnitude of the cleanup and redevelopment of the entire Beacon Bluff project requires that the SPPA seek and obtain funds from all possible sources. In order to manage the scale of the project, the SPPA has approached the cleanup and preparation for redevelopment in three phases. The SPPA has sought and obtained grant funds for contamination cleanup from the State (the Minnesota Department of Employment and Economic Development or “DEED” Contamination Cleanup Grant Program), the Metropolitan Council (the regional planning agency serving the Twin Cities seven-county metropolitan area) and the Ramsey County Environmental Response Fund. Each of the grants sought or obtained from these entities is targeted to one or more of the three cleanup phases for the overall Beacon Bluff Redevelopment project and addresses multiple parcels. Each grant program defines “eligible costs” differently. The following is a list of the funds which are being sought or which have been obtained for the remaining Beacon Bluff work and which may be used, in part, at Parcel 3-Central:

Source (G=Grant)	Addresses Which Parcels	Committed or Pending (with date of application)	Amount (\$)
DEED – G	1, 2, 4, 6, 3-N, 3-C	Committed	950,000
Met Council – G	1, 2, 4, 6, 3-N, 3-C	Committed	350,000
Ramsey County – G	1, 2, 4, 6, 3-N, 3-C	Committed	100,000
DEED Supplemental - G	1, 2, 4, 6, 3-N, 3-C	Pending (11/1/11)	1,834,875
Met Council – G	1, 2, 4, 6, 3-N, 3-C	Pending (11/1/11)	238,700
Ramsey County	1, 2, 4, 6, 3-N, 3-C	Pending (11/1/11)	70,000

- G	C		
Port Authority Bond Funds	1, 2, 4, 6, 3-N, 3-C	Committed	3,208,329

Add column – amount available to Parcel 3C ?

c. Programmatic Capability and Past Performance (20)

i) Programmatic Capability (12)

The SPPA is ready and able to administer this cleanup grant, should it be awarded. The project team associated with the past several years of the SPPA’s brownfield program will continue its work on the Beacon Bluff Parcel 3-Central Cleanup. Mr. Monte Hilleman, the SPPA’s Vice President of Redevelopment, is the project manager for the Beacon Bluff redevelopment project and will continue to orchestrate the community outreach, cleanup and redevelopment of the Parcel 3-Central Site. Mr. Hilleman has also been the primary project manager for the SPPA’s EPA Brownfield grants for the past 6.5 years and will serve as project manager for this grant, should it be awarded. Mr. Hilleman’s job duties include overseeing the due diligence for and the environmental assessment and cleanup of all properties that the SPPA is buying or selling or has other interest in. He has over 10 years of experience with reuse of brownfield properties and organizing public processes associated with community development and land redevelopment. In recognition of his work, Mr. Hilleman was named *Brownfield Renewal* magazine's 2010 Person of the Year. Mr. Hilleman will oversee reporting activities under this grant, however his busy schedule requires that the preparation of reports and the collection of necessary reporting information be contracted out to an environmental consultant retained through the procurement process described below. The consultant will compile MBE/WBE reports, quarterly progress reports, and annual financial reports for Mr. Monte Hilleman’s review prior to submittal. Ms. Tonya Bauer submits the reports and enters them into the reporting tracking system. Finally, the environmental consultant enters site profile information into the ACRES database.

The SPPA routinely hires environmental consultants to conduct assessments and cleanups of contaminated property and is eminently familiar with the process. The SPPA uses an open and broadly advertised procurement process that is consistent with 40 CFR 31.36. The SPPA conducts this procurement process every two to three years in order to select 3-4 highly competent environmental consultants. This number is necessary due to the volume of large projects that the SPPA is involved in at any one time. The SPPA is scheduled to conduct a new procurement process in the winter of 2012 to select environmental consultants with expertise in brownfield assessment and cleanup, grant management, and public outreach.

Construction/excavation contractors are selected, in a manner consistent with 40 CFR 31.36, on a project-by-project basis using a response to a request for bids, which is advertised in multiple outlets. The bid specifications address the cross cutting requirements listed in the grant cooperative agreement, including the need to meet Davis-Bacon wages.

The Department of Finance tracks project invoices after Mr. Hilleman has coded them as eligible under the grant. Ms. Dana Krueger maintains the invoice tracking spreadsheets and conducts the grant reimbursement draws. This past year, the SPPA hired a new administrative assistant, Ms. Tony Bauer, whose organizational skills have raised the SPPA’s grant administrative capacity to new heights. She provides the additional layer of organization and process that ensures that reporting expectations are met.

SPPA has been awarded multiple EPA Brownfield Grants since the late 1990s. The SPPA has delivered, in a spectacular fashion, on the project objectives on the existing and previous EPA Brownfield Grants that they have received, as described in item iii below. The SPPA relies heavily upon grant funding to complete their brownfield cleanup and redevelopment work, and has resultantly established grant administration procedures and administrative structure to ensure responsible and transparent program management. In honor of the SPPA's efforts and outcomes, the City of Saint Paul has been designated a Showcase Community by the EPA.

ii) Adverse Audits (2)

The SPPA hires an accounting firm to conduct an annual financial audit of its entire operation, including local, state, and federal grants. For the first time since they began working with EPA grants in the late 1990s, the SPPA had a negative audit finding. The FY2010 federal financial reports were submitted late. Even though this was an anomaly, the SPPA used this opportunity to strengthen their procedures. The SPPA instituting a new grant tracking system. This system allows for redundant checks, with Ms. Tonya Bauer providing final assurance that all reports have been submitted on time. The EPA stated satisfaction with the corrective steps and is not requiring any further reporting on the adverse finding.

iii) Past Performance – Currently Has EPA Brownfield Grant (6)

The SPPA has received multiple EPA Brownfield Grants since the late 1990s. Recent grants include: a) \$1,000,000 in supplemental RLF funds for FY2011; b) an FY2010 Assessment Grant including \$200,000 for hazardous substances and \$200,000 for petroleum substances; c) FY2010 Cleanup Grant for Beacon Bluff Parcel 5, d) FY2010 Cleanup Grant for Beacon Bluff Parcel 2, and e) FY2007 Cleanup Grant for Griffin Wheelworks. The FY2007 Cleanup Grant is closed out. All funds have been expended and drawn for the FY2010 Assessment Grant and for both the FY2010 Cleanup Grants; the SPPA will close out all three of these grants by the end of the second quarter of FY2012. The RLF funds are already committed to two loans: one for the Beacon Bluff Parcel 2 Site and one for the Minnehaha Lanes Site. For both loans, loan agreements have been executed and the cleanups are underway; the SPPA predicts that the RLF funds will be fully drawn by the end of the second quarter of FY2012.

The SPPA developed Work Plans and successfully negotiated Cooperative Agreements (CAs) with the U.S. EPA for all grants. For all of these grants, the SPPA requested the ability to accrue pre-award costs before the Cooperative Agreements were established. The SPPA's consultants developed and received U.S. EPA approval for project QAPPs. For the Assessment Grant and the RLF, Eligibility Determinations were sought and obtained for each Site where funds were to be spent. For all of the cleanup grants and the RLF loans, the SPPA worked with the U.S. EPA to ensure that the requirements of the National Historic Preservation Act were met. The SPPA also maintained community involvement in all cleanup projects funded with EPA grants. The SPPA complied with quarterly reporting, MBE/WBE reporting, and annual financial status reporting requirements (with the exception of being late on the FY2010 financial status reports, as described in section ii), and has regularly updated site profile data into the ACRES database. The SPPA is usually involved in multiple brownfield projects at one time, with projects at different points along the site screening, due diligence, site assemblage, site assessment, cleanup planning, cleanup implementation, site marketing, site redevelopment continuum. This large and every-moving project portfolio has given the SPPA the experience to know that, while the general process remains the same, it is normal to encounter exceptional circumstances at any

single site. The SPPA works closely with their US EPA Project Manager to problem-solve on these unique circumstances, and to celebrate in each project successfully completed.

Specific achievements of each of these grants are described below:

FY2011 Supplemental RLF funds: These funds are committed to two loans; Action Memos and loan agreements have been executed for both loans. One loan is for the second phase of cleanup of the former Minnehaha Lanes Site, which is being conducted concurrent with construction of a new, 55,000-sq ft building for use by two new businesses. The cleanup should be completed by spring of 2012. The second loan is for the cleanup of the Beacon Bluff Parcel 2 Site, which started in July 2011 and will be completed by the spring of 2012.

FY2010 Cleanup Grants – Beacon Bluff Parcels 2 and 5: The Parcel 5 Cleanup is completed and the property is being marketed nationally. The Parcel 2 Cleanup started in July 2011 and will be completed by the spring of 2012. The SPPA has fully expended and drawn the funds under both cleanup grants and will be closing out these grants by the second quarter of FY2012. When fully developed, these sites will house XX-square foot buildings and should provide XX jobs. Both grants have been fully expended; close-out will begin in the next quarter.

FY2007 Cleanup Grant – Griffin Wheelworks Site: The first phase of cleanup at the Griffin Wheelworks property occurred in 2007-2008. The cleanup grant was used to help fund the second phase of cleanup started in spring 2010, concurrent with its development as a commercial bakery. The second phase of cleanup was completed in 2010 and the construction of a 130,000 sq. ft. LEED Silver commercial bakery building has been completed. The Bakery has brought 112 jobs to Saint Paul's East Side. The grant funds were fully expended and the grant was closed out in FY2010.

FY2010 Assessment Grant – Petroleum and Hazardous Substances: These funds were used to assess two properties of great importance to the SPPA's partner, the City of Saint Paul. The petroleum funds were used to assess the Former Diamond Products Site located on the east edge of Downtown Saint Paul. The City was negotiating the purchase of this 6-acre, vacant, former manufacturing Site to prepare it for redevelopment as a baseball stadium for the local minor league team, the Saint Paul Saints. The hazardous substance funds were used to assess and prepare for cleanup the current 12.8-acre Midway Stadium Site in Energy Park (a commercial/light industrial area of Saint Paul). For both sites, the SPPA conducted soil and ground water assessments and began cleanup planning under the oversight of the Minnesota Pollution Control Agency. These projects have been placed on temporary hold while the City negotiates the purchase with the current owners of the Diamond Products Site. Negotiations have been made more difficult to recent budgetary shortfalls due to significant mid-year reductions to Local Government Assistance funding from the State of Minnesota.

3. Community Engagement and Partnerships [15]

a. Plans for Involving Affected Community (5)

The Beacon Bluff redevelopment project has provided the Port Authority with an opportunity to evolve its community outreach and engagement processes for its brownfield program. The SPPA generally works closely with the District Councils for the neighborhoods where their redevelopment projects are located. The SPPA partners with the District Council to hold public meetings during the redevelopment process to inform the community of the progress on the project and to solicit their input into the reuse plans and cleanup decisions. The SPPA also keeps

community groups informed through its bi-monthly newsletters (sent both by e-mail and US Post) and postings on their web-site.

However, for the Beacon Bluff Project, the SPPA has involved the community to a greater extent than represented by the standard approach. The former 3M Campus is of historical and cultural importance to the City of St. Paul and to its host neighborhoods. The 3M Main Plant has been determined to be eligible for listing in the National Register of Historic Places (NRHP) as a historic district and the SPPA has worked with the EPA to carefully observe the requirements of Section 106 of the National Historic Preservation Act (NHPA), which requires Federal agencies to take into account the effects of their undertakings on historic properties. For all these reasons, the Port Authority increased the degree of community involvement in the Beacon Bluff Project.

For the Beacon Bluff project, the Port Authority initially held several Committee and Design Workshops in 2008 and 2009 to involve the community. To gather more detailed community input, the Port Authority convened several community work groups in 2009 to gather community input into priorities, reuse plans and designs for the redevelopment. These work groups included a 3M Design Workgroup, a 3M Historic Preservation Workgroup, and a 3M Jobs Workgroup. These groups met throughout 2009 (and some into 2010). Finally, for ongoing input into the project, a Community Advisory Committee (CAC) was formed and this group continues to be active to this day, with quarterly meetings at a minimum. The CAC membership includes neighborhood groups, community development corporations, and business associations, elected officials, historic groups, workforce and cultural groups. The Committees work is communicated internally and externally via the website, www.sppa.com/beacon-bluff.

In addition, the following steps will be taken to ensure continued involvement of the community in cleanup and reuse decisions: We will publish a formal public notice of the plan to cleanup and redevelop the site and invite the public to review the plans; the public repository of information will be maintained at the MPCA. This notice will be placed in the Saint Paul Pioneer Press (the local paper) and will be published on the Port Authority's Project Website listed above, which is the information hub for the CAC. We will hold a xx day comment period on the cleanup plans. We will provide updates regarding cleanup progress on the project web-site, at District Council Meetings, and at quarterly CAC meetings. For public meetings of all of these groups, the Port Authority will work with the District Councils and the CAC to ensure that materials are provided in languages as necessary to meet the community's needs and that translators are provided as needed.

b. Current Efforts and/or Plans to Develop Partnerships (5)

The SPPA's mission is to create and maintain a sustainable, livable, and economically prosperous city. To accomplish this mission, the SPPA has, for thirty-five years, identified, assessed, acquired, cleaned up and redeveloped former industrial/commercial properties in Saint Paul to create job centers for City residents. The SPPA has cultivated and tended many partnerships that are key to success in redevelopment. The SPPA's partners include the community-based organizations and District Councils representing neighborhood residents, other City Departments (most notably the Department of Planning and Economic Development), the Saint Paul Public Schools, area businesses and business associations, chambers of commerce, the regional Metropolitan Council, and state governmental entities (most notably the Minnesota Pollution Control Agency and the Minnesota Department of Employment and Economic

Development). The SPPA recognizes that all of these partners are crucial not just to creating a vision for a livable city but also to actually achieving the vision.

More specifically, for the work proposed under this grant, the SPPA will involve partners in the following ways. The SPPA already attends regular meetings with the 3M Community Advisory Committee, the District Councils and local community groups to gain input into the community's vision for, and concerns with, the Beacon Bluff project, including Parcel 3-Central. The SPPA solicits the community's input while developing the reuse and cleanup plans and will keep the community informed of progress on the cleanup through regular public meetings and its semi-regular construction newsletter.

The SPPA has already enrolled the Site in the Minnesota Pollution Control Agency's VIC Program and Petroleum Brownfields Program for technical review and oversight of the assessment and cleanup of the property. The SPPA has obtained cleanup funding from the Minnesota DEED's Contamination Cleanup and the Ramsey County Environmental Response Fund grant programs.

The SPPA works with Saint Paul Planning and Economic Development to ensure that sufficient affordable housing is available or created in the area of the job centers. Saint Paul Public Schools are often involved in larger redevelopment areas. For instance, a new and innovative "Achievement Plus" neighborhood elementary school and an attached YMCA were built further west in the Phalen Corridor, to service a population which is largely Hmong, Hispanic and African-American and disproportionately impoverished.

The Port Authority and its non-profit partner, Employer Solutions Inc. (ESI) were recently awarded a Environmental Workforce Development and Job Training Grant by the U.S. EPA. This grant targets veterans, dislocated workers and dislocated auto-workers in three communities in Saint Paul (including the Phalen Corridor area) for recruitment into a training program designed to prepare participants for training in various environmental technician and excavation-worker fields. This program is just getting launched; the first 9 participants began training in September 2011. The Port Authority is working with employers to make sure that the training curriculum matches their projected employment needs; the Port Authority also has pledges from several employers that they will review resumes and interview program graduates for possible employment when jobs become available.

c. Description and Role of Key Community Based Organizations Involved in Project (5)

The SPPA has identified the following Community Based Organizations as active partners in the implementation of the proposed grant activities. Letters of support from these Community Partners are provided in Attachment 4. It is notable that all present at the public meeting where this grant was discussed, all present voiced support of the grant.

- **Payne Phalen District 5 Planning Council:** Leslie McMurray; 651-774-5234. This is the official, city-sponsored community planning group for the Payne Phalen neighborhood. **Role:** Will host public meetings to gather community input to cleanup and reuse decisions and provide a venue for the public to view documents, such as proposed cleanup plans.
- **Dayton's Bluff District 4 Community Council:** Deanna Foster, 651-772-2075. This is the official, city-sponsored community planning group for the Dayton's Bluff neighborhood.

Role: Will host public meetings to gather community input to cleanup and reuse decisions and generally recruit the community to meetings and decisions.

- **3M Community Advisory Committee:** Monte Hilleman, 651-204-6237. Ad hoc committee of elected officials, community groups, business association, community development corporations and others analyzing redevelopment options and providing recommendations to the Port Authority.
- **North East Neighborhoods Development Corporation (NENDC):** Mr. Chuck Repke; 651-774-2220. This is the non-profit Community Development Corporation for the northeast neighborhoods, including the Project Area neighborhoods. **Role:** NENDC will serve as further link to the community and may also help host community meetings for this area.
- **East Side Area Business Association (ESABA):** Brian Dahl, (651) 225-5613. ESABA is the business association representing most of the Eastside of Saint Paul and the entire project area. They have been a key partner in all Phalen Corridor activity since the mid-1990's. **Role:** They help disseminate information and solicit input from the local business community.

4. Project Benefits [10]

a. Welfare and/or Public Health (5) *(need to make this section more site-specific, update numbers)*

The Cleanup Grant will contribute to a healthy community because it will: 1) cleanup a known contaminated site, thereby removing the related health and safety risks faced by the local population; 2) remove blight and safety concern from the neighborhood, 3) provide a clean site which the SPPA can offer to attract light manufacturing entities seeking to build in the Twin Cities metropolitan area; 4) thereby create jobs for City residents and produce an increase in local property tax revenue (as described further in 4b, below); and 5) increase the quality of community life.

Jobs for Residents: The SPPA can guaranty jobs for City residents because each business occupying our business centers is required to enter into a Work Force Agreement, under which we require that the company create or retain jobs (at least one job per 1,000 square foot of building space), pay good wages (at least \$11.00 per hour plus benefits), and enhance neighborhood economic development (at least 70% of new jobs must go to Saint Paul residents). In addition, we work with the Saint Paul Department of Planning and Economic Development to ensure that economic development is accompanied by the development of quality affordable housing. The combined effect of these various efforts greatly contributes to a walkable, healthy community.

Reduction of Human Health Risk The proposed cleanup will remove environmental threats at the Site. Site soils are contaminated with DRO while soil vapors are contaminated with VOCs emanating from the adjacent Parcel 2. The main exposure scenarios posed by the identified contamination at the site are a) human contact with contaminated soils and b) exposure to VOCs via vapor intrusion into buildings. The proposed Response Action Plan will disrupt or eliminate the possible exposure routes relative to the soil contamination and will vent the buildings so as to reduce or eliminate exposure to soil gas-contaminants. In general, all soil containing contaminants at levels cleanup goals based upon the State's health-risk based standards will be removed from the site and/or managed on site in a manner that eliminates all exposure routes to

the contamination. Venting systems for on-site buildings will protect workers from exposure to any remaining soil gas contaminants.

Exposure Control During Cleanup The Site will be cleaned up under the oversight of the MPCA, which requires measures to protect surrounding communities from exposure to Site contaminants during cleanup. In order to ensure that nearby residents are protected from exposure to contaminants during cleanup work, the following measures will be taken:

- Sediment and run-off controls will be instituted and will include silt fencing around the entire site and construction of berms where necessary.
- Exposed soil surfaces will be monitored for dust creation and will be kept wetted if necessary while heavy equipment is operating to suppress dust creation from the site and limit air particulate matter (and associated contaminant) concentrations in the immediate vicinity.
- Soil piles will be covered with plastic until they are removed in order to prevent dust creation and surface-water run-off into surrounding areas.

b. Economic Benefits and/or Greenspace (5)

After the SPPA has completed response actions at the Site, the SPPA will prepare the property for development and sell it to a business that can meet the SPPA’s job creation and wage requirements. The SPPA’s plans for the Site anticipate that the new development will involve approximately 40,000 sq ft of light commercial building, which should net approximately 40 new jobs, or the rehabilitation of 150,000 square of existing building for commercial purposes which should net up to 150 new jobs. Annual property tax revenue will increase by \$XX. These job creation and property tax estimates are based upon the jobs per square foot and tax base increase created at SPPA’s past five business center projects, which are illustrated in Table 1.

[UPDATE]

Table 1 – Job Creation and Tax Base Increase – SPPA Business Centers 1997-2009

Business Center	Acres Purchased	Assessment & Cleanup Costs (\$)	Private Investment	Current Jobs (2008)	Annual Weighted Average Hourly Wage	Payable 2009 Property Taxes
Arlington Jackson (1997)	20	\$0.77M	\$12.66M	540	\$13.84	\$612,046
Williams Hill (1998)	27	\$2.76M	\$19.96M	426	\$17.58	\$735,176
GNBC North (2001)	18.3	\$6.11M	\$16.25M	4505	\$21.08	\$696,276
Westminster Junction (2003)	24.3	\$2.21M	\$85.76 M	978	\$26.00	\$1,824,806
GNBC South (2005)	10.7	\$5.39M	\$12.32 M	287	\$26.62	\$450,344
Totals	100.3	\$17.24M	\$146.95M	2,736	\$21.31	\$4,318,648

The SPPA has over forty years of experience in brownfield cleanup, real estate redevelopment and business expansion financing. The following SPPA brownfield program elements link job creation to brownfield cleanup:

- a. Our purchase agreements require Green Design Review to focus our end-users on business friendly implementation of sustainable design, including: energy efficiency, high indoor environmental quality, day lighting, reuse of materials, and other sustainable design components as well as our unique Next Generation stormwater management techniques (environmentally sound and ecologically productive means of storm water management). In 2008, we expanded this program to include the use of LEED NC as a design guide, required energy modeling of all buildings, building commissioning per LEED requirements and reporting of actual energy and water use after occupation. That information will be used to develop the carbon footprint of these buildings, benchmark building performance, and strive to improve actual building performance in accordance with the Architects 2030 Challenge (carbon neutral buildings by 2030).
- b. We work closely with neighborhood residents, local, state, and federal economic development organizations, the Minnesota Pollution Control Agency, and other City Departments to ensure that the land we assemble is cleaned up to safe standards and to ensure that the final use of the land meets the residents' vision for their community.
- c. Through our rigorous contractual language in our Work Force Agreements, we require each company occupying our Business Centers to create and retain jobs (at least one job per 1,000 square feet of building space, plus required job growth over 10 years), pay living wages (at least \$11.00 per hour plus benefits), and enhance neighborhood economic development (at least 70 percent of new jobs must go to Saint Paul residents).
- d. Through legal land use covenants with each company occupying our Business Centers must comply with, we insist on attractive, quality buildings to enhance community livability and to build a sense of place. The covenants set construction cost minimums (\$70.00 per square foot), make valuable use of scarce land (35% minimum coverage of building to land), and set design requirements for facades, windows, public space, landscaping and signage.

ii) Other non-economic benefits

The Site redevelopment plan is for a commercial building rather than greenspace. However, the property will be landscaped to the maximal feasible extent; buyers are required to expend 2% of the total project construction budget on landscaping and greenspace. To be aggressive with greenspace creation, the SPPA utilizes the non-profit Great River Greening as its partner. The SPPA's design covenants require that a public gathering space be included in the site landscape design. These requirements coupled with the SPPA's requirements for sustainable storm water management (that are generally met with rain water gardens, swales, or constructed wetlands), will add some park-like quality to the Site.

c. Environmental Benefits from Infrastructure Reuse/Sustainable Reuse (5)

The SPPA maintains minimum standard requirements for building design and landscape design. The requirements are memorialized in our purchase agreements and in legal covenants that run with the land at our business centers. The design requirements address facades, windows, public space, landscaping, signage, energy efficiency, day-lighting, indoor air quality, reuse of materials and other sustainable design elements. The legal covenants set building cost minimums at \$60

per square foot and make economic use of scarce land (35% minimum coverage of building to land).

The end users at our Business Centers are also required to conduct a high-performance/sustainable design process with a team of design experts paid for by the SPPA (Green Design Review). Through this process, initiated in 2004, we: a) improve energy efficiency by working with Xcel Energy, the local power utility, to guide every building project through advanced energy modeling (this technique results in buildings operating up to 20% better than energy code and businesses lowering their annual energy costs by a similar percentage); b) strive for High Performance Site Design, c) promote native plantings and Next Generation storm water management; d) improve Employee Productivity by encouraging increased day-lighting, improved ventilation, and the use of materials that do not off-gas; and e) evaluate material usage for increased durability, resource efficiency (focusing on locally-made or recycled goods) and cost-effectiveness. This last item results in reduced pollution through decreased materials delivery distances and reduces resource consumption by emphasizing materials made with recycled content.

In 2008, we expanded this program to include the use of LEED NC as a design guide, energy modeling of all buildings, building commissioning per LEED requirements and reporting of actual energy and water use after occupation. That information will be used to develop the carbon footprint of these buildings, benchmark performance, and strive to improve actual building performance in accordance with the Architects 2030 Challenge.

Finally, and perhaps most importantly, the end product of redevelopment will result in high density job center within a high density job corridors located adjacent to high density urban residential areas. The cleanup of polluted sites is a crucial step in their redevelopment and subsequent high density job creation. The efficient use of land and infrastructure, accomplished by recycling brownfields and locating jobs in the urban core near housing units, reduces vehicle trips by matching jobs and housing more efficiently. Fewer vehicle trips means reduced vehicle emissions and higher air quality.

ATTACHMENT 1

Threshold Documentation

DRAFT

**FY 2012 EPA Cleanup Grant Application: Beacon Bluff Parcel 3-Central
Documentation of Threshold Criteria
Saint Paul Port Authority, Saint Paul, Minnesota**

1. Applicant Eligibility: The Saint Paul Port Authority (SPPA) is a general-purpose unit of local government created by the State Legislature in 1929 and founded in 1932 and is thereby an eligible entity. In Minnesota, Port Authorities are separate and distinct entities from the municipalities in which they are located; they have taxing, eminent domain, and bonding authority separate and distinct from their partner municipalities. Further documentation of the SPPA's eligibility is detailed in Attachment 3.

2. Letter from the State Environmental Authority: The SPPA has received a letter from the Minnesota Pollution Control Agency (MPCA) acknowledging that: a) the SPPA is applying for an U.S. EPA brownfield Cleanup grant for the Site; and b) the SPPA intends to perform environmental remediation activities at Site using federal dollars. The Site is already enrolled in the MPCA Voluntary Cleanup Program. The letter is included as Attachment 2.

3. Site Eligibility and Property Ownership Eligibility:

A. Basic Site Information.

- (a) the name of the site: Beacon Bluff Parcel 3-Central (P3-C)
- (b) site address: 900 Bush Avenue, Saint Paul, MN 55106
- (c) the current owner of the site: The Saint Paul Port Authority

B. Status and History of Contamination at the Site.

- (a) Type of Contaminant: Although both hazardous substances and petroleum contaminants are present at the Site, the cleanup is being driven by hazardous substances.
- (b) Operational history and current use(s) of the site: P3-N has been developed since the late 1800s. The 3M Company occupied the parcel from the early years of the 19th century through 2009. The original 3M abrasives plant (former Building 1) was located on P3-N; the development of the 3M plant and office campus expanded from here onto surrounding parcels over the following decades.

The Site is currently occupied by former 3M Buildings 21, which is still present. Historic fill activity occurred at the Site during and prior to 3M's tenure. Prior to 3M's occupation of the parcel, it was occupied by other industrial and commercial uses. Fill of unknown origin was placed at the Site during and, possibly, prior to 3M's tenure. The Site is secured against trespassing.

- (c) Environmental concerns: Environmental concerns include soil contamination, soil vapor contamination and ground water due to historic manufacturing and solvent-use, storage, and handling, as well as fill from historic demolitions and redevelopment.
- C. How site became contaminated, extent:** Site contamination derives from the environmental concerns listed in item (c), above. The primary soil contaminants of concern include: PAHs, and DRO. Soil vapor contaminants include VOCs.

D. Sites Ineligible for Funding.

- (a) The Site is not listed or proposed for listing on the National Priorities List;

- (b) The Site is not subject to unilateral administrative orders, court orders, administrative orders on consent, or judicial consent decrees issued to or entered into by parties under CERCLA.
- (c) The Site is not subject to the jurisdiction, custody, or control of the United States government.

Furthermore, the Site is not covered under an enforcement instrument or permit issued under the Resource Conservation and Recovery Act (RCRA), the Federal Water Pollution Control Act (FWPCA), Section 311 of the Clean Water Act (CWA), the Toxic Substances Control Act (TSCA), or the Safe Drinking Water Act (SDWA).

- E. **Sites Requiring a Property-Specific Determination.** The Site does not require a Site Specific Determination.
- F. **Environmental Assessment Required for Cleanup Proposals:** A Phase II Environmental Site Assessment (ESA) was completed for the entire Parcel 3 (encompassing Parcel 3-North, Parcel 3-Central and Parcel 3-South) in 2009. In addition, a Master Response Action Plan was prepared for the entire Beacon Bluff/3M Site in 2010. The following Phase I and Phase II Report have been prepared for P3-Central:
- Phase I Environmental Site Assessment, Forest and East 7th St. Site – “Parcels 1 through 9”, St. Paul, Minnesota, by American Engineering Testing, Inc., AET Project No. 03-03262, October 16, 2008
 - Phase I Environmental Site Assessment, Forest and East 7th St. Site – Parcel 3, St. Paul, Minnesota, by American Engineering Testing, Inc., AET Project No. 03-03262(P3), December 9, 2009.
 - Phase II Investigation Report, Forest and East 7th Street Site, St. Paul, Minnesota by American Engineering Testing, Inc., AET Project No. 03-03262, February 17, 2009
 - Phase II Investigation - Parcels 3 & 6, Forest and East 7th St. Site, St. Paul, Minnesota, prepared by American Engineering Testing, Inc., AET Project No. 03-03262.02, December 4, 2009.

Property Ownership Eligibility:

G. CERCLA §107 Liability.

The SPPA is not potentially liable for contamination at the Site under CERCLA §107. The SPPA does not own the Site and did not own or operate at the Site at the time that the waste was placed at the Site. Furthermore, the SPPA did not arrange for the treatment or disposal of hazardous substances at the Site.

H. Enforcement Actions.

There are no known or anticipated federal, state, or local enforcement actions at the Site.

I. Information on Liability and Defenses/Protections.

- i) **Information on the Property Acquisition:** The SPPA acquired Parcel 3 on December 9, 2009 from 3M Corporation through negotiated purchase. The SPPA owns the Site through fee simple title and is the sole owner of the Site. There is no contractual, corporate or financial relationship between the SPPA and 3M or any previous owners or operators beyond the contractual relationship related to the Site purchase.
- ii) **Timing and/or Contribution Toward Hazardous Substances Disposal.** The SPPA is not potentially liable for contamination at the Site under CERCLA §107. The hazardous substance disposal at the Site primarily occurred between the early 1900s and the mid 1990s, from the time

when the Site was first developed through its early industrial/ commercial uses and its use as a 3M fabrication facility. All of these activities took place prior to the SPPA's purchase of the Site in December 2009. The SPPA has never arranged for the disposal of hazardous substances at the Site, or transported hazardous substances to the Site.

iii) Pre-Purchase Inquiry. The investigation documents listed in item 3E, above, represent the pre-purchase inquiry conducted by the SPPA prior to its purchase of the Site. All of the Phase I ESA and Phase II ESA listed in item 3 were conducted for the SPPA. The SPPA conducted an AAI-consistent Phase I Environmental Site Assessment within 180 days of the December 9, 2009 purchase. The date of the Phase I ESA bears the same date as the SPPA's purchase of the Site; the SPPA reviewed the document in draft prior to December 9, 2009. The SPPA also conducted a Phase II Site Assessment of the entire Beacon Bluff/3M Site (dated February 17, 2009) and specifically for the Parcel 3 (dated December 4, 2009). The Minnesota Pollution Control Agency (MPCA) reviewed and approved the work plan for these Phase II ESAs prior to their conduct.

The Phase I, which was overseen by Mr. Rich Lowe and conducted by Mr. Adam Zobel, both of American Engineering Testing (AET) for the SPPA, was compliant with the EPA AAI rule and ASTM Practice E 1527-05. The Phase II activities were conducted by AET in accordance with the MPCA-approved Work Plan. Mr. Bob Kaiser was the AET Project Manager for this work. Mr. Kaiser, Mr. Lowe and Mr. Zobel meet the definition of an environmental professional under 40 CFR 312.10. Mr. Kaiser has a Bachelor of Chemical Engineering from the University of Minnesota. He has 37 years of relevant experience. Mr. Zobel has a B.S. in Biology from St. Olaf College. He is a certified asbestos inspector in Minnesota and has over 7 years of relevant experience. Mr. Rich Lowe has a B.S. in Mechanical Engineering and an M.S. in Space Studies from the University of North Dakota. He is a certified asbestos inspector in MN, WI, IA, and ND and has over 30 years of relevant experience.

iv) Post-Acquisition Uses.

Since the purchase of the Site, the SPPA has prepared the Site for cleanup. The SPPA completed hazardous materials and asbestos surveys of the existing buildings, prepared the Master Response Action Plan for the entire Beacon Bluff Site, and worked with the community on reuse plans and to meet the community's expectations for historical mitigation. The SPPA has also cleaned up Parcels 5, Parcel 3-South, Parcel 2, and Parcel 6.

v) Continuing Obligations.

Since acquiring the Site, the SPPA has taken the following reasonable steps to stop any continuing releases, prevent any threatened future releases or prevent or limit exposure to releases: Secured the site, arranged to have the site monitored by a security alarm contract, and has notified the area police of the vacant status. SPPA has completed an extensive Phase II investigation to clarify cleanup needs, and prepared a Response Action Plan (RAP) describing how contamination at the Site will be mitigated. The RAP has been reviewed and approved by the MPCA. The proposed cleanup will prevent or limit exposure to the existing contamination at the Site. Furthermore, the SPPA is committed to comply with all land use restrictions and institutional controls upon which the cleanup will be conditioned. The SPPA is conducting the cleanup and thus assistance, cooperation, and access are not relevant. The SPPA will comply with all information requests and administrative subpoenas that have or may be issued in connection with the property. Finally, the SPPA will provide all legally required notices.

4. Cleanup Authority and Oversight Structure

a. Cleanup Oversight:

The SPPA has enrolled the Site in both the MPCA Voluntary Investigation and Cleanup and Petroleum Brownfields Programs. The cleanup will be conducted under the oversight of these MPCA voluntary cleanup programs. The SPPA's consultant has worked closely with the assigned MPCA staff on the assessment of, and cleanup planning for, the Site. The SPPA conducted a procurement process consistent with 40 CFR 31.36 in order to select and retain the consultant for the assessment and cleanup planning (and for remediation activities on adjacent sites that have occurred to date). The SPPA will conduct a new Request-for-Proposal process consistent with 40 CFR 31.36 in the next six months in order to select consultants for future brownfield work under state and federal grants.

b. Plans for Access of Neighboring Properties:

The entire soil cleanup area can be accessed from land owned by the SPPA and/or from public rights of way and there is thus no need to access any privately owned neighboring property to complete the cleanup.

5. Cost Share

a. Cost Share: The estimated cleanup cost for the Site is \$ _____. The EPA Cleanup Grant is intended to provide \$200,000 toward this total. The remaining amount, which includes the cost share requirement of \$40,000, will be comprised funds from an existing of a Minnesota Department of Employment and Economic Development (DEED) Contamination Cleanup Grant (\$ _____), or a Ramsey County Environmental Response Fund Grant (\$100,000). Additional costs (\$ _____) will either be paid out of SPPA general funds (derived from _____).

b. Hardship Waiver: N/A

6. Community Notification

The SPPA provided the affected community with a notice of its intent to apply for an EPA cleanup grant and an opportunity to submit comments. A public notice was published in the Saint Paul Pioneer Press on Monday Friday, November 4, 2011. Information on the grant and the proposed cleanup was presented at two public meetings held in conjunction with the District 5 Community Planning Council Meeting on November 22, 2011 and a District 4 Community Planning Council Meeting on November 7, 2011. A copy of a draft of this proposal and the draft ABCA presented in Attachment 3 was made available to the public at the SPPA offices and on the SPPA web-site from November 7, 2011 through November 22, 2011. The following items, documenting the public notice, the public meeting, and the resultant public comment are attached in the listed Attachments.

- A copy of the public notice which appeared in the Saint Paul Pioneer Press [Attachment 4]
- A copy of the draft ABCA [Attachment 5]
- The Agenda, sign-in sheet, and meeting notes from the aforementioned public meetings. [Attachment 6]
- A summary of the comments received from the public meeting and in response to the community's review of the grant, and The SPPA's response to the public comments. [Attachment 7]

ATTACHMENT 2

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

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ATTACHMENT 3

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

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ATTACHMENT 4

Documentation of Community Notification for Threshold Criteria

DRAFT

ATTACHMENT 5

ABCA

DRAFT

ATTACHMENT 6

Public Meeting Documentation

Agenda

Sign-in Sheet

Meeting Notes / Summary

DRAFT

ATTACHMENT 7

- **Summary of Comments Received in Response to the Community's Review of the Grant**
- **The SPPA's Response to the Public Comments**

DRAFT

ATTACHMENT 8

Documentation of Applicant Eligibility

DRAFT

ATTACHMENT 9

Documentation Indicating Leveraged Funds are Committed to the Project

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ATTACHMENT 10

Special Considerations Checklist

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Special Considerations Checklist

Please identify (with an **X**) if any of the below items apply to your community or your project as described in your proposal. EPA will verify these disclosures prior to selection of the grant.

- Community population is 10,000 or less
- Federally recognized Indian tribe
- United States territory
- Applicant assisting a Tribe or territory
- Targeted brownfield sites are impacted by mine-scarred land
- Targeted brownfield sites are contaminated with controlled substances
- Community is impacted by recent natural disaster(s)
- Project is primarily focusing on Phase II assessments
- Community demonstrates firm leveraging commitments for facilitating brownfield project completion by identifying amounts and contributors of funding in the proposal and have included documentation
- Community experiencing plant closures (or other significant economic disruptions), including communities experiencing auto plant closures due to bankruptcy
- Applicant is a recipient of a HUD/DOT/EPA Partnership for Sustainable Communities grant