

Phase One

Hillcrest Redevelopment Cleanup

FY20 Guidelines for Brownfied Cleanup Grants

The Saint Paul Port Authority is submitting an EPA Brownfield Cleanup Grant application for the first of three Phases of remediation as part of the Hillcrest redevelopment project. In total, we are requesting \$500,000. Should the grant be awarded, we propose using these funds to subsidize the anticipated Phase One estimate of \$600,000.

Funding Opportunity Number: EPA-OLEM-OBLR-19-07

Public Input and Comment Period

November 12 through November 26, 2019

Your opinion matters and we encourage your feedback in any of the following ways:

- Email to Ava Langston-Kenney (alk@sppa.com)
- In-person at the Community Advisory Committee Meeting on Tuesday, November 19 from 5:30 p.m. to 7:00 p.m. at the Hayden Heights Library (1456 White Bear Avenue)
This meeting is an information-only meeting, no public forum.
- In-person at the Special Meeting of the North East Neighborhoods Development Corporation (NENDC) on Thursday, November 21 from 6:00 p.m. to 7:00 p.m. at the Hayden Heights Recreation Center (1965 East Hoyte Avenue)
This is a public forum meeting; comments are welcome.

NARRATIVE/RANKING CRITERIA

1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION

a. Target Area and Brownfields

i. Background and Description of Target Area

Saint Paul and Minneapolis together are referred to as the Twin Cities. The Twin Cities Metro Area is a seven-county area that surrounds and encompasses the Twin Cities. Over 54% of the state's populations calls the Twin Cities Metro Area home. Overall, the Twin Cities Metro Area consistently ranks towards the top for employment and home ownership compared to the its 25 metro area peers across the country, but when the data is spit out by race, huge disparities between white and people of color become apparent. About 75% of white households own their own homes, but only 23% of black households do. While only 5.7% of Twin Cities residents have incomes below the poverty rate, over 21% of residents of color in the Twin Cities have incomes below the poverty rate -- a statistic that leaves the Twin Cities with the worst disparity rate among the 25 largest metropolitan regions in the nation.

The City of Saint Paul, named as the Capital of the State of Minnesota in 1858, has seen industry and commerce dating back to the mid-1800s. Saint Paul's economy initially centered around the lumber industry and commerce transported along the Mississippi River. Railroad corridors were developed in Saint Paul in the second half of the 19th century. By the turn of the century these corridors crisscrossed the City, including the lines of the Great Northern, Burlington Northern and Northern Pacific railroads. Industries developed along the river and railroad corridors through the 1960s. Notable among the major employers in Saint Paul were the 3M Company, with its world headquarters and all its manufacturing facilities, Whirlpool Corporation, the Hamm's Brewery (later the Stroh's Brewery), the Maxson Steel Company, Ford Motor Company, and facilities supporting the railroads. These major employers were at the heart of the City's vibrant economy.

Beginning in the 1960's with 3M's relocation to the suburbs and continuing through the closure of the Ford Motor truck manufacturing plant in 2011, Saint Paul has seen a steady decline in major job centers, pulling local neighborhood economies into a downward spiral. Job losses due to the closing and downsizing of these major manufacturing enterprises altered the economic and cultural landscape of Saint Paul's neighborhoods. Jobs left the core city, and residents with disposable incomes followed. As a result, commercial corridors slipped from thriving prosperity to blighted decline, leaving behind a legacy of underdeveloped or vacant brownfield sites, which has in turn depressed property values in adjacent neighborhoods.

The Saint Paul Port Authority's (SPPA's) mission is to create quality job opportunities, expand the tax base, address environmental justice, and advance sustainable and equitable development. The chief means of accomplishing this goal is the redevelopment of industrial and commercial brownfield properties into new commercial/industrial "business centers."

While the downtown area of Saint Paul has recently seen an economic resurgence as residents with disposable income and jobs move back, other areas of the City lag or have been left out of this resurgence. Using census data, Police Crime Reports, Minnesota Department of Health data, District Community Council Neighborhood Plans and the City of Saint Paul 2040 Comprehensive Plan, SPPA has identified neighborhoods within Saint Paul in greatest need for assistance, based on economic indicators and racial disparities. Saint Paul's Greater East Side neighborhood includes 10% of the people unemployed in the entire City of Saint Paul. Unemployment rate for people of color is nearly double the unemployment rate for white people in the neighborhood. More than a quarter of Greater East Side residents live with an income below the poverty level. The Greater East Side has one of the highest rates of Cost-burdened households in the city. People of color make up 61% of all Greater East Side residents. **SPPA seeks the proposed grant to provide funding for the environmental cleanup of the Hillcrest Redevelopment Property – Phase One, located within the Greater East Side neighborhood.**

Remediating the site will allow the SPPA to prepare the property for reuse, including job-dense business centers.

ii. Description of the Brownfield Site(s)

SPPA purchased the Hillcrest Site in June 2019. This 110-acre site is currently vacant. Most recently the property was used as a golf course, which included storage and handling of significant amounts of herbicides, pesticides, and other chemicals, and reported petroleum releases. The property is adjacent to a railroad corridor, which may have impacted the site. An initial Phase II Environmental Site Assessment of the property has revealed wide-spread mercury contaminated soils at concentrations approaching hazardous waste levels. The mercury is believed to have accumulated in soils through annual application of mercury containing fungicides for seventy to eight years. Other areas of polyaromatic hydrocarbon and petroleum contained soils were also found during the initial site assessment. A vacant former Clubhouse and several vacant former maintenance and storage buildings currently occupy the Site. It is the SPPA's intent to redevelopment the site in phases. Phase One, the subject of this grant application is targeted to begin in the fall of 2010. SPPA believes that reuse of the Hillcrest site will bring immediate and substantial positive social and economic benefits to the Greater East Side neighborhood.

b. Revitalization of the Target Area

i. Reuse Strategy and Alignment with Revitalization Plans

Our Brownfields Program goals are consistent with the City of Saint Paul's 2040 Comprehensive Plan, developed with considerable citizen input which identifies "Providing Land for Jobs" as one of the Land Use Strategies for achieving the Plan's primary goal of "creating a city that is economically strong, environmentally responsible, vibrant, and attractive". The Plan names SPPA as the key partner in redeveloping industrial land to "provide land for jobs". The City's Small Area Plan for District 2 (Greater East Side District Plan Neighborhood) specifically identifies promoting Mixed Use Transit Oriented redevelopment in Hillcrest area. SPPA will remove environmental and geotechnical barriers, add any required infrastructure and prepare the Hillcrest Redevelopment site for reuse. SPPA is participating in the City of Saint Paul's Master Planning for reuse of the Hillcrest site. The Master Planning process will directly involve public and project partners in developing a reuse strategy for the Site. Initial plans for reuse of the Site include a mix of housing and commercial/industrial development. Once prepared for reuse the Site will be sold to a private developer or end user with a development plan that conforms to the Master Plan developed by the City for the site and meets SPPA goals of density, livable wage jobs, neighborhood workforce utilization and sustainability.

ii. Outcomes and Benefits of Reuse Strategy

The Hillcrest reuse strategy will create hundreds of new job opportunities and increase the economic competitiveness of the Greater East Side neighborhood. The SPPA redevelopment strategy for the Hillcrest site includes community benefits agreements requiring businesses building within SPPA Business Centers to commit to job creation and local hiring (minimum 1 job/1,000SF building, goal of 70% new hires for Saint Paul residents with 2 for 1 credit for hires from the immediate area zip codes). This reuse strategy also includes the incorporating sustainable design practices and requiring whole building energy simulation to model building materials and equipment to maximize energy conservation opportunities. The proposed "outcome" of the assessment activity will be increased community vibrancy in the form of more jobs for City/Greater East Side residents, increased tax revenue, and replacement of blight with attractive, green buildings and sustainable landscaped spaces in our new Business Centers.

The SPPA remediates contaminated land and sells it to business owners who build various types of commercial facilities. Many of these building owners also utilize the Trillion BTU and

Property Assessed Clean Energy (PACE) loan programs, administered through the St. Paul Port Authority, to finance renewable energy and energy efficiency upgrades to their properties. The financing can be used to replace outdated equipment and invest in renewable energy if the estimated payback from energy savings is less than 20 years. To date these programs have provided over \$100 million in funds to complete projects throughout the state, including many previously contaminated properties the SPPA helped remediate.

c. Strategy for Leveraging Resources

i. Resources Needed for Site Reuse

The Cleanup Grant funds are a single funding tool; additional sources are needed to complete site acquisition, site preparation, demolition, environmental cleanup planning, remediation, environmental liability protections, soil stabilization, site utilities, and other redevelopment activities. The following is a list of funding sources that the SPPA has used for cleanup planning, remediation, site preparation, and redevelopment of brownfields in the past and will seek to use for the Hillcrest Site to augment EPA Brownfields Cleanup Grant funds:

MN Dept of Employment and Economic Development (DEED) Contamination Cleanup Grant Program: This program provides grants for assessment, cleanup planning, and remediation of brownfield sites. The SPPA regularly applies for, obtains, and manages these grants. The SPPA is confident in our ability to obtain future grants for sites that need cleanup planning and remediation. Over \$32,000,000 has been leveraged in DEED cleanup funding since 1995, helping to cleanup and redevelop dozens of brownfield sites.

DEED Redevelopment and Infrastructure Grants: These grants are available to address costs of land acquisition, demolition, infrastructure improvements, soil stabilization, stormwater management, other environmental infrastructure and adaptive reuse of buildings. The SPPA has been successful in obtaining these grants when needed. In the last two decades SPPA has secured nine of these grants totaling nearly \$7 million.

Metropolitan Council Tax Based Revitalization Account Funds: This program provides grants to investigate and clean up brownfields for economic redevelopment projects that enhance the tax base while promoting job retention or job growth and/or the production of affordable housing. The SPPA has been consistently successful in winning these grants. Over \$12,000,000 has been leveraged in Metropolitan Council funds since 1996.

Ramsey County Environmental Response Fund (ERF): ERF grant funds are used for remediation in combination with the State and Metropolitan Council grants for remediation projects within Ramsey County. The SPPA has been consistently successful in securing these grants. Over \$2,600,000 has been leveraged in Ramsey County ERF funds since 2000.

Tax Increment and More: Tax Increment Financing is typically used on our larger business center sites to help offset the significant public investment required to return these properties to the tax rolls. Funding has also been secured from Capital Region Watershed District, arts organizations, environmental organizations and the philanthropic community, including the National Endowment for the Humanities, National Endowment for the Arts, and MN Legacy Funds.

The state and local brownfield Grant Programs described above all award grants on a competitive basis semi-annually for projects which will begin redevelopment within six months of being awarded a grant. SPPA intends to apply for state and local funding after redevelopment Master Planning has been completed.

ii. Use of Existing Infrastructure

The Hillcrest Redevelopment Site targeted by this grant application is located within fully developed urban neighborhoods. Transit access, trunk sanitary sewer, stormwater, electric, gas and other small utilities are generally available within close proximity. Distribution within the Site will

be funded through state and local resources. Not only do this site reuse existing major infrastructure, its redevelopment will also places quality job opportunities near the workforce that most needs them.

2. COMMUNITY NEED AND COMMUNITY ENGAGEMENT

a. Community Need

i. The Community's Need for Funding

Brownfield sites in Saint Paul are strongly concentrated along transportation corridors where large, industrial job centers were formerly located. The Greater East Side neighborhood is located along a major transportation corridor. Job losses due to the closing of job centers along the corridor altered the economic and cultural landscape of the neighborhood. The economic decline brought blighted conditions, which has in turn depressed property values, and thus property taxes have steadily decreased. Property taxes generated by the large employment centers have fallen dramatically as these properties have become underutilized. The low-income Greater East Side does not have the means to fund environmental remediation of its brownfields properties. The Saint Paul Port Authority (SPPA) mission is to assist neighborhoods in the City of Saint Paul with redeveloping brownfield properties, which the private sector is unable to see sufficient return on investment due to environmental issues. SPPA suffered through several years of lean economic times from 2009 to 2017, during which we had no access to brownfield acquisition funds. Recently SPPA issued \$8M in general obligation bonds, which has provided the means to begin property acquisition. We were able to build sufficient community and political support for this bond issue, based upon our strong track record of brownfield cleanup and economic development performance. Identifying brownfields properties within the Greater East Side were at the top of our redevelopment plans due to the great need of this low-income neighborhood. In June of this year the SPPA used funds from the issued bonds to purchase the Hillcrest site. Planning is now underway to cleanup and reuse this property located within the Greater East Site.

ii. Threats to Sensitive Populations

(1) Health or Welfare of Sensitive Populations

Brownfield properties are a threat to sensitive populations either through direct exposure to contamination, or by the blight and related social welfare impacts that limit redevelopment and economic activity. Contamination threats are compounded with other welfare issues faced by the Saint Paul's Greater East Side. For example, the Greater East Side has some of the highest crime rates in Saint Paul. In 2017 it had the 5th highest call in rate for murder, rape, aggravated assaults. About 7% of both calls for these crimes and calls for services come from the Greater East Side. Lack of access to affordable, quality housing also plagues sensitive populations in the Greater East Side. Reducing the cumulative impacts of exposure to contamination from the Hillcrest brownfields Site, the subject of this Cleanup Grant application, will benefit the neighborhood's sensitive populations.

(2) Greater than Normal Incidence of Disease and Adverse Health Conditions

An environmental issue that is affecting health of sensitive populations include the presence of major commuting arteries that surrounding the Greater East Side. Several studies have determined airborne pollutants from vehicles have a direct and adverse effect on human health. Air quality concerns for the Greater East Side neighborhood include air toxins from gasoline and diesel burning engines, particulate matter from residential wood burning and ozone due to the reaction of sunlight with air pollutants. Environmental impacts often contribute to low quality of life and public health issues like asthma. The Greater East Side consists of two zip codes; 55106, and 55119, they have the 3rd and 15th highest rates, respectively, of asthma attacks in the state of Minnesota. From 2011 to 2015, there were 482 children under the age of 14 that were hospitalized for asthma attacks. Reducing the cumulative impacts of exposure to contamination from the

Hillcrest brownfields Site, the subject of this Cleanup Grant application, will benefit Greater East Side neighborhood residents suffering from asthma.

(3) Disproportionately Impacted Populations

Crime, low quality of life and the lack of quality paying jobs opportunities are poverty indicators that compound the negative impacts on the Greater East Side’s environment, health, and welfare do to a high number of brownfields sites. Brownfields sites in Saint Paul are strongly concentrated along transportation corridors where large, industrial job centers were formerly located. A disproportionately high percent of property within the Greater East Side compared to the rest of the City lies is within major transportation corridors. As such, the Greater East Side has a high concentration of brownfields property. The number of brownfields sites in this neighborhood that have not been remediated and redeveloped represents an environmental Justice challenge for neighborhood residents, compounding other economic burdens faced by the neighborhood residence. Twenty-five percent of residents in the Greater East Side live below the poverty level. Median household income for the Greater East Side is nearly \$7,000 less than the City of Saint Paul as a whole.

The reuse of Hillcrest Redevelopment brownfield Site located in the Greater East Side, facilitated by environmental remediation of the Site, will reduce sensitive population exposure to contamination, alleviate health impacts on populations with elevated incidents of disease and adverse health effects, and increase opportunities for livable wage jobs for neighborhood residents and add tax base, which can be funneled back into neighborhood revitalization.

b. Community Engagement

i. Project Partners

SPPA works closely with the neighborhood District Councils on every brownfields project. This includes involving the Councils with site selection prioritization, community communications, assessment, cleanup, and redevelopment of sites. District Councils are a vital component of our community engagement approach. Historically the local non-profit Community Development Corporation in the area works to complement our brownfields projects by focusing housing and commercial redevelopment activity near our Business Centers.

ii. Project Partner Rolls

The East Side Employment Exchange is a collaboration of 11 organizations (American Indian Family Center, East Side Financial Center, CLUES, Goodwill Easter Seals, Hmong American Partnership, Latino Economic Development Agency, Merrick, Metro State University, Urban Roots, Dayton’s Bluff Community Council, Neighborhood Development Alliance), and is single point of access to connect job-seekers, employers and service providers. Truly a one-stop-shop.

Other governmental partners include City Departments (most notably the Department of Planning), Ramsey County, business associations, chambers of commerce, regional Metropolitan Council, and state governmental entities. Recognizing that all these partners are crucial, not just to creating a vision for a livable city, but also to achieving the vision, SPPA has cultivated-and obsessively tended partnerships with all these entities. Our state and local funding partners provide invaluable assistance on every brownfields project SPPA undertakes.

List of Project Partners

Partner Name	Point of contact (name/email/phone)	Specific role in the project
District 2 Planning Council	Chuck Repke, Executive Director, (651) 774-2220, chuckrepke@aol.com	Facilitate Community Input to Project Plans

City of Saint Paul	Luis Pereira, Planning Director, (651) 266-6633, luis.pereira@ci.stpaul.mn.us	Cooperative Planning/Plan Consistency/Public Outreach
MN Pollution Control Agency	Shanna Schmitt, PG, CPG, 651-757-2697, shanna.schmitt@state.mn.us	Regulatory Assistance /Voluntary Investigation and Cleanup Program Oversight
MN Department of Employment and Economic Development (DEED)	Kristin Lukes, Director, Brownfields, 651-259-7451, kristin.lukes@state.mn.us	Job creation incentives and Cleanup Funding
Ramsey County	Martha Faust, Director, Community and Ed, 651-266-9200	Planning Program Consistency and funding assistance.
Minnesota Metropolitan Council	Marcus Martin, Livable Communities, 651-602-1059, Marcus.martin@metc.state.mn.us	Planning Program Consistency and Funding
East Side Area Business Assoc	Paris Dunning, Executive Director, 651-621-2766, paris@esaba.org	Community business location and Business Center design input.
East Side Employment Exchange	Ann Tyler, atyler@clues.org, 651-632-3870	Connecting Businesses located on former brownfield properties with community job seekers.
Capital Region Watershed Dist.	Mark Doneux, Administrator, 651-644-8888, mark@capitolregionwd.org	Funding innovative project specific stormwater uses

iii. Incorporation Community Input

In 2012, we began a community engagement strategy around research commissioned by SPPA from the Initiative for a Competitive Inner City (ICIC), a non-profit founded by Professor Michael Porter from Harvard Business School that researches urban core revitalization strategies. To date we have brought this research to over 100 organizations from non-profits to advocacy organizations to business groups. We use this information to begin a new discussion about the value of repurposed brownfields and the industry that typically locates on cleaned up SPPA sites. In Saint Paul, commercial/industrial uses generate \$1.08-\$1.12 in tax revenue for every dollar they demand in services. By contrast, residential uses generate only \$0.85-0.90 for every dollar they demand in services. With one third of Saint Paul's land area being tax exempt (as the government, education and religious capitol of the state), it is necessary to preserve industrial land and tax base to pay for services the City neighborhoods increasingly demand. To communicate specific progress to the Greater East Side, SPPA will convene neighborhood meetings to define neighborhood needs, prioritize sites for assessment, understand market demand for properties, discuss site reuse plans, and align funding resources. This includes presentations and update meetings with community groups at board meetings, committee meetings, land use policy and planning meetings, and one-on-one and group stakeholder meetings. SPPA will include information on the Cleanup Grant activity on its web site. SPPA will work with the community partners to obtain neighborhood input into decisions and incorporate Greater East Side land use preferences into redevelopment plans.

3. TASK DESCRIPTIONS, COST ESTIMATES, AND MEASURING PROGRESS

- a. **Proposed Cleanup Plan**
- b. **Description of Tasks/ Activities and Outputs**

Task 1 - Community Engagement and Planning: Saint Paul Port Authority (SPPA) commits its own staff and resources to complete community engagement activities, which includes meeting with community partners individually and in group meetings, presenting at community meetings and conducting community involvement activities. These activities will be provided with in-kind services. Qualified professionals will be contracted by the SPPA to support its efforts to keep the community informed with cleanup and reuse planning for the Hillcrest Redevelopment Site and to seek continuous public input as planning, cleanup and redevelopment activities are completed. SPPA will oversee this work with in-kind staff time. Estimated Cost: \$15,000

Task 2 – NHPA and ESA: SPPA will engage qualified professionals to satisfy National Historic Preservation Act and Endangered Species Act requirement for the reuse of the Hillcrest Redevelopment Site. SPPA will oversee the work with in-kind staff time. Estimated Cost: \$12,000.

Task 3 - Site Assessment and Cleanup Planning: Preliminary site assessment and cleanup planning for the Hillcrest Redevelopment site is being funded by SPPA’s FY2019 Assessment Grant. Qualified environmental professionals will be engaged by the SPPA to completed necessary supplemental environmental site assessment and cleanup planning the Hillcrest Redevelopment Site, including completion of the ABCA and completion of Response Action Plan Amendments and Addendums. SPPA will oversee the work with in-kind staff time. Estimated Cost: \$32,500.

Task 4 – Remediation: Based on the results of site assessment and a completed ABCA, a Response Action Plan (RAP) will be developed. Qualified environmental and earthwork professionals will be engaged by the SPPA to implement the RAP, oversee RAP implementation, secure liability protections for site cleanup and redevelopment, and prepare environmental reports documenting RAP implementation. Estimated Cost: \$508,500

Task 5 - Eligible Programmatic Activities: This task involves meeting the requirements of the Cooperative Agreement, including preparing required quarter and annual reports, populating ACRES reporting, identifying costs eligible for cleanup grant reimbursement or to satisfy cost share requirements, processing grant payments, maintaining necessary records, and general communication with EPA. These tasks will be conducted by SPPA staff using in-kind resources, with the assistance of a qualified professional. SPPA staff will travel to EPA’s National Brownfield and other brownfield related conferences. Estimated Cost: \$32,000.

- i. Anticipated Project Schedule

The SPPA will perform the community engagement activities and programmatic activities described above continuously throughout the 3-year grant period. SPPA anticipates compliance with NHPA and ESA requirements will be completed within the first year of the grant period. SPPA anticipates that the ABCA, supplemental site assessment and cleanup planning will also be completed within the first year of the grant period. Activities necessary to complete remediation of the Hillcrest Redevelopment – Phase One property will be completed within the final two years of the grant period.

- ii. Task/Activity Lead

As described above, the SPPA will be the lead entity completing community engagement and planning, and eligible programmatic activities, with assistance from qualified professionals as needed. Also as described above, various qualified professionals will be the lead entities completely NHPA and ESA compliance, site assessment and cleanup planning, and site remediation activities.

- iii. Outputs

The SPPA anticipates the following outputs resulting from use of the cleanup grant: **Task 1 - Community Engagement and Planning:** Monthly meetings during the 12 to 18 month master planning process, which provides public input into the cleanup and redevelopment planning. **Task 2 – NHPA and ESA:** Satisfaction of federal National Historic and Preservation Act and Endangered Species Act statutory requirements. **Task 3 - Site Assessment and Cleanup Planning:** Completion of the final ABCA document, one Supplemental Phase II Investigation Report, on RAP Amendment, and one RAP Addendum. **Task 4 – Remediation:** RAP Implementation Report and Determination from the Minnesota Pollution Control Agency that remediation has been completed at the Site in accordance with the RAP. **Task 5 - Eligible Programmatic Activities:** ACRES Database reporting, Quarterly Reports, Annual DBE Reports, Annual Federal Financial Reports. SPPA staff attending one National Brownfield Conference and one state or regional Brownfield Conference.

c. Cost estimates and Outputs

Assessment Grant Budget Table – Hazardous Substance Funds

Project Tasks – Hazardous Substance Funds						
Budget Category	Com Engmt and Planning	NHPA & ESA	Site Assess & Cleanup Planning	Remediation	Programmatic Expenditures	Total
Personnel	\$0	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$12,000	\$12,000
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Contractual	\$15,000	\$12,000	\$32,500	\$508,500	\$20,000	\$588,000
Other	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$15,000	\$12,000	\$32,500	\$508,500	\$32,000	\$600,000

d. Measuring Environmental Results

SPPA 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. SPPA will also track whether they are meeting the grant work plan expectations and report upon this in the quarterly progress reports; SPPA will confer with the EPA Program Manager regarding any difficulties meeting work plan goals. Of particular note, the SPPA may be the only grant recipient in the country that can also identify the carbon emissions and energy efficiency ratings (in kBtu/SF/yr or Energy Use Intensity metric) for building constructed on sites assessed or remediated with EPA funding.

SPPA maintains accurate accounting records of the tax-base increase, job creation and private and public funds leveraged at each redevelopment project. These established procedures form the foundation of our tracking program. In addition, we will canvass our community partners to determine if there are additional outputs and outcomes that would be helpful to track based upon their needs.

4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

a. Programmatic Capability

i. Organizational Structure

The Minnesota Legislature established the Saint Paul Port Authority (SPPA) as a non-profit governmental agency in 1929 to manage the Saint Paul Harbor. From 1932-1964, four river shipping terminals were established. All 4 ports continue to be managed by the SPPA, stimulating the local economy through good paying jobs and property tax revenue. In 1955, the Legislature authorized the Port to engage in economic development activities inland. Our first redevelopment project, Riverview Business Center, was built in 1962. Since then, 19 more inland Business Centers have been developed, housing approximately 550 companies and 25,000 good paying jobs in the City of Saint Paul. The SPPA is managed by a 7-member Board of Commissioners. The Commissioners are appointed by the Mayor of the City of Saint Paul to six-year terms. There are 2 members of the Saint Paul City Council that sit on the Board.

SPPA is ready and able to administer this assessment grant, should it be awarded. During her 20 + year career in California as a Brownfield Coordinator, and Regulatory Manager of a Regional Water, Waste Water and Stormwater Utility, SPPA Project Manager Ava Langston-Kenney has managed many projects in which Community Organizations, Governmental Agencies (Local, State and Federal), consultants and contractors efforts needed to be carefully coordinated to achieve project completion. In the City of Stockton, the CA State Department of Motor Vehicles Building and the Stockton Events Center; in the City of Sacramento, the Matsui Federal Courthouse, Curtis Park Village Redevelopment and the Pannell Community Center; all construction projects on brownfields that required assessment and remediation; several were adjacent to 303D listed waterways and one won the 2008 EPA Region 9 Phoenix Award. She initiated, wrote and administered the \$200,000 Federal EPA Brownfields Pilot Grant for the City of Sacramento Downtown Railyards Project and subsequent EPA Site Specific Assessment grants. Most recently, for the past 2 years, Ms. Langston-Kenney has been managing Brownfield projects for SPPA, overseeing grant compliance and managing much of the SPPA's contracted assessment activity.

ii. Description of Key Staff

SPPA hires environmental consultants to conduct assessments and cleanups of contaminated property, and grant management consultants to provide expertise in EPA Brownfields grant management. SPPA uses an open and broadly advertised procurement process that is consistent with 40 CFR 31.36 to procure consultant expertise.

The Finance Department tracks project invoices after Ms. Langston-Kenney has coded them as eligible under the grant. SPPA Cash Analyst, Ms. Sarah Savela, maintains the invoice tracking spreadsheets and conducts the grant reimbursement draws.

iii. Acquiring Additional Resources

SPPA uses an open and broadly advertised procurement process that is consistent with 40 CFR 31.36 to select the consultants. SPPA most recently completed a procurement process in 2016, selecting five environmental consultants with expertise in brownfields assessment and cleanup. SPPA Project Managers have the authority to select environmental consultants from this pool to complete the activities proposed in this grant application.

b. Past Performance and Accomplishments

i. Currently Has or Previously Received an EPA Brownfields Grant

SPPA has received multiple EPA Brownfields Grants since the late 1990s. Recent grants include:

FY2019 Assessment Grant including \$150,000 for hazardous substances and \$150,000 for petroleum

FY2012 RLF Grant including \$600,000 for hazardous substances and \$500,000 for petroleum, with supplemental RLF funds added in 2013 (\$250,000 Hazardous Substances), 2015 (\$500,000 Petroleum), and 2016 (\$200,000 Petroleum);

FY2012 Assessment Grant including \$200,000 for hazardous substances and \$200,000 for

petroleum substances;

(1) Accomplishments

Funds from the FY2019 Assessment Grant are currently being used to support preliminary investigation of the Hillcrest Redevelopment Site, the subject of this grant application, and associated planning. During the terms of the referenced FY2012 grants SPPA has completed Phase I and Phase II site assessment and developed cleanup plans for five sites. Over 70 acres have been cleaned up and 617 jobs created or retained across five Business Centers or business sites. The tax base at properties for which EPA grant funds have been used has increased by over \$1,740,000. During this period, SPPA has also leveraged approximately \$13,500,000 in public funds and \$74,000,000 private funds. All outputs and outcomes have been reported accurately and timely in ACRES since inception of the ACRES reporting system.

The SPPA often sells the development ready property at a cost below market rate and enters a covenant with the buyer. In return for providing a reduced price on the land, the SPPA secures benefits to the City of Saint Paul and the neighborhoods it is targeting for assistance, including aesthetic value of the appearance of new building, energy efficiency of the new building, number of Jobs the project will produce, and local hiring requirements. Its redevelopment strategy at these sites involves environmental assessment, environmental cleanup, geotechnical correction, demolition, and infrastructure improvements. The end use at these redeveloped sites are job producing light manufacturing, commercial, and/or office use. The SPPA intends to follow this well-honed redevelopment strategy when it redevelops sites for which EPA assessment grant funds will be used.

(2) Compliance with Grant Requirements

SPPA developed Work Plans and successfully negotiated Cooperative Agreements (CAs) for the referenced U.S. EPA grants. Eligibility Determinations were sought and obtained for each Site, including the Hillcrest Redevelopment Site, where funds were to be spent. For the RLF loans SPPA worked with the U.S. EPA to ensure that the requirements of the National Historic Preservation Act were met. SPPA also maintained community involvement in all cleanup projects. SPPA complied with quarterly reporting, annual MBE/WBE reporting, and annual financial status reporting requirements, and has regularly updated timely site profile data into the ACRES database.

SPPA currently has two open EPA Grants: 1) A FY2012 RLF Grant (Project Period October 1, 2012 through September 30, 2021). The approximate \$1.5 million balance remaining in the RLF grant will be used to cleanup and redevelop SPPA purchased the Hillcrest Redevelopment property to provide to begin addressing environmental justice issues that have plagued the Greater East Side neighborhood for a quarter century and stimulate economic opportunities in the neighborhood. SPPA issuing its FY2019 Assessment Grant to initiate environmental investigation, and begin cleanup and redevelopment planning. Without added cleanup funds, however, SPPA will find it difficult to remediate the property and complete reuse, with will add new and spur economic growth in the Greater East Side neighborhood.

TABLE OF APPENDICES

- A. FEDERAL APPLICATION FORM – Application for Federal Assistance SF-424 (OMB Number 4040-0004)
- B. ACKNOWLEDGEMENT LETTER FROM THE MINNESOTA POLLUTION CONTROL AGENCY
- C. THRESHOLD CRITERIA – COMMUNITY-WIDE PROPOSAL

DRAFT

ATTACHMENT A
FEDERAL APPLICATION FORM
Application for Federal Assistance SF-424 (OMB Number 4040-0004)

DRAFT

Application for Federal Assistance SF-424

*** 1. Type of Submission:**

- Preapplication
- Application
- Changed/Corrected Application

*** 2. Type of Application:**

- New
- Continuation
- Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

Completed by Grants.gov upon submission.

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

SAINT PAUL PORT AUTHORITY

* b. Employer/Taxpayer Identification Number (EIN/TIN):

41-6005524

* c. Organizational DUNS:

04096000230000

d. Address:

* Street1:

380 SAINT PETER STREET, SUITE 850

Street2:

* City:

SAINT PAUL

County/Parish:

* State:

MN

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

55102

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

* First Name:

Ava

Middle Name:

* Last Name:

Langston-Kenney

Suffix:

Title:

Project Manager

Organizational Affiliation:

* Telephone Number:

651-224-5686

Fax Number:

* Email:

ALK@SPPA.COM

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

Special District

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

ENVIRONMENTAL PROTECTION AGENCY

11. Catalog of Federal Domestic Assistance Number:

CFDA Title:

*** 12. Funding Opportunity Number:**

EPA-OLEM-OBLR-19-07

* Title:

FY20 GUIDELINES FOR BROWNFIELD CLEANUP GRANTS

DRAFT

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Hillcrest Redevelopment Cleanup - Phase One

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant **4TH**

* b. Program/Project **4TH**

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:

* a. Start Date: **10/01/2020**

* b. End Date: **10/01/2023**

18. Estimated Funding (\$):

* a. Federal **\$500,000**
* b. Applicant
* c. State
* d. Local
* e. Other
* f. Program Income
* g. TOTAL

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

**** I AGREE**

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name: **DAVID**
Middle Name:
* Last Name: **JOHNSON**
Suffix:

* Title: **DEVELOPMENT SERVICES ASSOCIATE**

* Telephone Number: **651-224-5686** Fax Number:

* Email: **DJJ@SPPA.COM**

* Signature of Authorized Representative: Completed by Grants.gov upon submission.

* Date Signed: Completed by Grants.gov upon submission.

ATTACHMENT B
ACKNOWLEDGEMENT LETTER FROM THE MINNESOTA POLLUTION
CONTROL AGENCY

Pending

DRAFT

ATTACHMENT C
Analysis of Brownfields Cleanup Alternatives (Preliminary Evaluation)

DRAFT

Analysis of Brownfields Cleanup Alternatives (Preliminary Evaluation)
Hillcrest Site - Grant Area 1
2200 Larpenteur Avenue East, Saint Paul, Minnesota
Prepared for: Saint Paul Port Authority

I. INTRODUCTION & BACKGROUND INFORMATION

a. Introduction

This document provides an analysis of brownfields cleanup alternatives (ABCA) for the Former Hillcrest Golf Course Site in St. Paul, Minnesota (herein referred to as “the Hillcrest Site”). This section of the ABCA includes information on the site location, previous site uses, assessment and remediation activities that have occurred at the site, and the reported planned reuse of the site.

b. Site Location

The Former Hillcrest Golf Course Site is located at the southwest quadrant of McKnight Road North and Larpenteur Avenue East in northeast St. Paul, Minnesota. The most recent street address of the Hillcrest Site was 2200 Larpenteur Avenue East. A diagram depicting the Hillcrest Site is included as **Attachment 1**.

b.1 Site Description

The Hillcrest Site is approximately 112-acres in size and was acquired by the Saint Paul Port Authority (SPPA) in July 2019 with the goal of facilitating completion of a mixed-use redevelopment that included a combination of residential, commercial, job center (i.e., light industrial), and green space uses. The Hillcrest Site is currently undergoing a formal planning process through the City of St. Paul which will determine a redevelopment configuration and land use plan consistent with City’s requirements/goals and with community input.

Pre-acquisition environmental studies completed on behalf of the SPPA identified widespread soil contamination at the Hillcrest Site that will require cleanup/remediation prior to (or concurrent with) redevelopment. To address the required cleanup/remediation, the SPPA is dividing the approximate 112-acre Hillcrest Site into three “areas” for purposes of applying for U.S. Environmental Protection Agency (EPA) Cleanup Grants during up to three separate grant rounds (i.e., Grant Area 1, Grant Area 2 and Grant Area 3). A diagram depicting the three grant areas is included as **Attachment 2**.

Grant Area 1, located in the east-central portion of the Hillcrest Site, is the subject of this

ABCA document that will be included in the first U.S. EPA Cleanup Grant Application submitted to EPA for consideration in December 2019. The format and content of this ABCA document is consistent with grant application preparation instructions provided by U.S. EPA for Cleanup Grant applications. As shown in **Attachment 2**, Grant Area 1 is approximately 36 acres in size.

b.2 Climate Condition Factors

According to published geologic information, the depth to groundwater at the Hillcrest Site is approximately 100 to 200 feet below land surface (bls) and the regional groundwater flow direction is generally to the west-southwest. Perched groundwater was encountered intermittently during previous environmental and geotechnical investigations at the Hillcrest Site at depths between approximately 4.5 and 15 feet bls.

The United States Environmental Protection Agency (USEPA) website for Climate Impacts for the Midwest (USEPA Web site: <https://19january2017snapshot.epa.gov/climate-impacts/climate-impacts-midwest.html>) was accessed to identify possible climate-related factors that either currently (or will in the future) impact the Hillcrest Site. In summary, the Hillcrest Site is currently affected by extremely cold air masses from the north and warm, humid air masses from the south. Typical of Minnesota and the Midwest, the Hillcrest Site experiences wide temperature fluctuations and precipitation extremes. In general, regional temperatures have increased over the last several decades, and temperatures in St. Paul, Minnesota are projected to continue to increase. Moving forward in time, it is likely that the St. Paul area (including the Site) will experience warmer and wetter winters, heavy precipitation in the spring months, and hotter drier summers.

Many other typical major climatic risk factors do not apply to the Hillcrest Site based on physiographic location. For example, St. Paul, Minnesota is not located near an ocean or large inland lake and will not be directly affected by changes in the water level elevations in coastal oceans or large inland lakes. Rather, the Hillcrest Site is located within an existing municipal area that includes existing residential and commercial uses. Based on the location of the Hillcrest Site and its proposed redevelopment, it is unlikely that future changes in temperature, changes in dates of ground thaw/freeze, changing ecological zones, and/or other climatic changes will significantly affect redevelopment planning and/or related remediation/cleanup plans. However, the SPPA is committed to redeveloping the Site in a responsible manner that promotes sustainability and minimizes future impact of the future redevelopment to the environment.

c. Previous Site Uses and Previous Cleanup/Remediation

Prior to the 1920s the Hillcrest Site (including Grant Area 1) was cultivated agricultural land or grazing land. The Hillcrest Golf Course was developed in the 1920s for and became

a full size 18-hole private golf course/club that included clubhouse facilities, a swimming pool with pool building, driving range, practice putting greens, tennis courts, and various support buildings that included various general storage buildings and on the north side of the Site and various maintenance, shop and agricultural chemical storage buildings on the southeastern side of the Site within Grant Area 1. Earthen berms, which appear to contain intermixed debris, are located along the southeastern Site boundary next to and south of the maintenance area and two unsealed water wells are also located within Grant Area 1. Golf course ceased operations in 2017 and the Site has remained vacant since that time.

During the Site use as a golf course, various petroleum products were used and stored on the Site. Specifically, three past petroleum releases have been reported at the Site, Leak ID# 5050; Leak ID# 6222; and Leak ID# 18327. All three petroleum release leak sites were closed by the MPCA following review of the follow up site investigations, or in the case of Leak ID #6222, review of the limited soil cleanup actions taken following tank removal (i.e., excavation, hauling and treatment of an estimated 180 tons of petroleum-impacted soil).

d. Site Assessment Findings

Prior to property acquisition in July 2019, the SPPA retained Braun Intertec Corporation (Braun Intertec) to complete a Phase I Environmental Site Assessment (ESA) of the Hillcrest Site in accordance with ASTM Standard Practice E1527-13. The Phase I ESA results were documented in a report dated June 10, 2019. In summary, the Phase I ESA identified the following recognized environmental conditions (RECs) related to the Hillcrest Site: 1) the presence of remaining contamination from past petroleum tank leaks at the Site, 2) the potential for agricultural chemical releases to the soil and groundwater at the Site, 3) the potential for the repeated historical application of fungicide to result in an accumulation of mercury in the soils overtime at the Site, and 4) the potential presence of contaminated soils and buried regulated waste materials in berms present at an isolated location at the Site.

Braun Intertec was also retained to complete a Preliminary Phase II ESA to evaluate whether the soil, soil vapor, and/or groundwater beneath the Hillcrest Site is impacted at levels requiring consideration for acquisition and/or redevelopment. The Limited Phase II ESA results were documented in a report dated June 10, 2019. In summary, the Preliminary Phase II ESA identified both non-petroleum and petroleum compounds in soil at various locations and depths across the Site (including Grant Area 1). The non-petroleum impacts include widespread mercury contamination from the historical use of specialty fungicides and other turf management agricultural products associated with golf courses dating back to the 1930's and into the 1990's. Mercury concentrations up to as high as 144 milligrams per kilogram (mg/kg) were detected in soil samples collected from areas near the former golf course greens/fringes, and the majority of the shallow soil samples collected from the 0 to 6-inch depth interval from the former golf course tee

boxes and fairways contained mercury at concentrations exceeding the MPCA's current residential and commercial soil reference values (SRVs) of 0.5 mg/kg and 1.5 mg/kg, respectively. The mercury concentrations in soil were found to decrease with depth and were generally below MPCA SRVs in soil samples collected at depths starting at a depth of approximately 1-foot (or less) in former tee box/fairway areas. Below the former golf course greens, the mercury concentrations in soil were generally below SRVs at depths starting at approximately 2-feet.

Additional non-petroleum impacts to soil from polycyclic aromatic hydrocarbons (PAHs) and arsenic were also detected at a few locations the Site, but these impacts are relatively minor in extent and magnitude. Petroleum impacts were also detected at the Hillcrest Site and were limited to the area of the three "closed" petroleum leak sites that were discussed previously in Section I.c of this ABCA.

Groundwater samples collected during the recent Phase II ESA did not detect evidence of significant or widespread contamination by petroleum compounds or hazardous substances. The only detection of a contaminant in groundwater above a drinking water standard was DRO in the sample collected near the previously investigated and closed petroleum leak sites.

Low concentrations of VOCs were detected in soil vapor samples collected during this investigation. However, no VOCs in the soil vapor were detected at concentrations above the MPCAs action levels requiring consideration or redevelopment.

The Limited Phase II ESA report concluded that additional Phase II investigation would be needed to further delineate and define the magnitude and extent of the identified impacts at the hillcrest Site in consideration of future redevelopment. It was recommended that the additional Phase II investigation be completed after the redevelopment plans are further refined. The scope of the additional Phase II investigations will be addressed and Work Plans/Sampling and Analysis Plans that will be submitted for regulatory program review and approval.

e. Overall Project Goal

The SPPA acquired the Hillcrest Site in July 2019 with the goal of facilitating completion of a mixed-use redevelopment that includes a combination of residential, commercial, job center (i.e., light industrial), and green space uses. The Hillcrest Site is currently undergoing a formal planning process through the City of St. Paul which will determine a redevelopment configuration and land use plan consistent with City's requirements/goals and with community input. Future activities to be conducted by the SPPA to facilitate redevelopment will likely include demolishing existing site structures, implementing site grading consistent to support the final agreed upon development plan, and constructing roadways, public utilities and related storm water infrastructure to support the planned

development. A diagram showing a conceptual redevelopment configuration and land uses is included as **Attachment 3**. Please note that the final redevelopment configuration and land uses will not be defined until after the formal planning process with the City of St. Paul has been completed with community input.

II. APPLICABLE REGULATIONS AND CLEANUP STANDARDS

a. Cleanup Oversight Responsibility

The Saint Paul Port Authority will hire a qualified environmental professional services company to oversee and document the cleanup/remediation of the Hillcrest Site and will comply with the procurement provisions of 40 CFR Part 31.36.

The SPPA has entered the Hillcrest Site in the Minnesota Department of Agriculture (MDA) Agricultural Chemical Voluntary Investigation and Cleanup (AgVIC) Program, MPCA Voluntary Investigation and Cleanup (VIC) Program, and the MPCA Petroleum Brownfields (PB) Program to facilitate investigation and cleanup of the property and to receive applicable assurance letters from these agencies. MDA involvement on this project is triggered by the mercury impacts related to the historic use of mercury-containing fungicides used for turf management. Specifically, the MDA has jurisdiction for all impacts resulting from use of hazardous substances for agricultural purposes including turf management on golf courses. Agency approvals and environmental assurances will be sought through the MDA for agricultural chemical impacts at the property. The MPCA VIC Program's involvement is needed to obtain environmental assurances and approvals related to hazardous substances for which they have jurisdiction (e.g., PAHs), and the MPCA PB Program's involvement is needed to obtain environmental assurances and approvals related to the past petroleum releases and remaining residual petroleum contamination.

b. Cleanup Standards for Major Contaminants

The soil cleanup standards for the Hillcrest Site (including Grant Area 1) will be based on the MPCA residential SRVs (for areas targeted for residential use) and industrial SRVs (for areas targeted for commercial/industrial development). For mercury (the primary contaminant driving clean up at the Site), the residential and industrial SRVs are 0.5 mg/kg and 1.5 mg/kg, respectively. Other applicable cleanup standards include:

- Soil Impacted by Hazardous Substances (other than mercury):
Soil cleanup standards for non-agricultural based hazardous substances (other than mercury) will also be based on MPCA residential and industrial SRVs, as appropriate, and on guidance documents utilized by the MPCA VIC Program.
- Soil Impacted by Petroleum:

Soil cleanup standards for petroleum will be based on MPCA petroleum guidance documents utilized by the MPCA Petroleum Brownfields (PB) Program.

- Soil Impacted by Fertilizers/Herbicides/Pesticides: Soil cleanup standards for releases related to past uses of fertilizers, herbicides and pesticides will be based on MDA agricultural chemical release guidance documents utilized by the MDA AgVIC Program.

c. Laws & Regulations Applicable to the Cleanup

Laws and regulations that are applicable to this cleanup include the Brownfields Revitalization Act, the Federal Davis-Bacon Act, State of Minnesota environmental laws, and local City by-laws and ordinances. Federal, State, and local laws regarding procurement of contractors to conduct the cleanup will be followed. Applicable guidelines utilized by the MDA AgVIC Program, MPCA VIC Program and MPCA PB Program will also be utilized and followed as appropriate.

III. CLEANUP ALTERNATIVES

a. Cleanup Alternatives Considered

The widespread soil contamination identified at the Hillcrest Site is the primary technical factor driving the need for environmental cleanup/remediation. For purposes of this ABCA, the following three technical alternatives were considered to address the known soil contamination within Grant Area 1 of the Hillcrest Site:

- Alternative #1: No Action
- Alternative #2: Excavation with Offsite Disposal
- Alternative #3: Soil Excavation with On-Site Soil Reuse and Limited Off-Site Disposal.

Based on the site assessment findings to date, no proactive cleanup/remediation actions related to groundwater or soil vapors are anticipated to be needed and thus not addressed further as part of this ABCA document.

b. Evaluation of Cleanup Alternatives

The three remedial alternatives were evaluated to determine if they could achieve the SPPA's overall project goal of facilitating redevelopment and minimizing risks to human health and the environment. The alternatives deemed capable of achieving the overall project goal were further evaluated for effectiveness, implementability, and cost.

Upon further consideration, Alternative #1 (No Action) was determined to be inconsistent

with the SPPA's overall project goal of facilitating future redevelopment and minimizing risks to human health and the environment. This alternative would consist of controlling site access through physical means (i.e., perimeter fence) and placing a restrictive covenant or other appropriate institutional controls on the property deed. Since no proactive soil cleanup/ remediation would occur under this alternative, soil contamination would remain in place near the ground surface and would be considered a potential risk to public health and the environment in the context of construction for redevelopment and to future users of the development. Based on these factors, Alternative #1: No Action was eliminated from consideration and was not evaluated further for effectiveness, implementability, and cost.

b.1 Effectiveness

- **Alternative #2: Soil Excavation with Off-Site Disposal**

Excavation with off-site disposal is a proven and effective approach to soil cleanup/remediation that is approvable from a regulatory perspective. With this alternative, the known soil contamination would be fully removed from Grant Area 1 and the human health and environmental risks related to the soil contamination would no longer exist. Implementation of this alternative would include excavation and off-site disposal of an estimated 11,000 to 14,000 cubic yards of contaminated soil exceeding established site cleanup standards including former golf course tee areas, fairways, greens and the other identified areas of contamination within Grant Area 1 (i.e., fertilizer/pesticide storage and use areas, contaminated soil berms with intermixed debris). The off-site soil disposal would be completed at a permitted landfill. A restrictive covenant or other institutional controls would not likely be required for this alternative. Although this alternative meets the SPPA's overall project goal, it is the highest cost alternative being considered and has the highest negative impact on the environment because of the extensive use of fossil fuels to transport all contaminated soil to off-site disposal facilities.

- **Alternative #3: Soil Excavation with On-Site Soil Reuse and Limited Off-Site Disposal**

Alternative #3 is also a proven and effective approach to soil cleanup/remediation that is approvable from a regulatory perspective. With this alternative, the known areas of contaminated soil would also be fully excavated and a portion of the excavated soils would be transported off-site for disposal at a permitted landfill, similar to Alternative 2. The remainder of the excavated soils would be placed in a secured stockpile, and would then be placed and compacted at designated locations and depths within Grant Area 1 that are pre-approved by the regulatory agencies and compatible with future development plans and site uses. Alternative #3 also addresses the risk to public health and the environment because the locations of on-site soil management would be selected to ensure

future users of the Site after redevelopment would not come in direct contact with the contaminated soil. Implementation of this alternative would include excavation of an estimated 11,000 to 14,000 cubic yards of contaminated soil exceeding site cleanup standards (similar to Alternative #2), off-site disposal of an estimated 3,000 cubic yards of contaminated soil at a permitted landfill, and on-site placement and compaction of remaining 8,000 to 11,000 cubic yards of contaminated soil within Grant Area 1. This alternative meets the SPPA's overall project goal and has the added benefit of being the lower cost alternative (compared to Alternative #2). It is noted that Alternative #3 also has a lower negative impact on the environment because less fossil fuels would be used to transport the contaminated soil off-site locations (i.e., lower carbon footprint).

b.2 Implementability

- **Alternative #2: Soil Excavation with Offsite Disposal**
This alternative is technically easy to implement. Materials, equipment, technologies, and service firms needed to implement Alternative #2 are readily available and easy to procure. Site accessibility for implementation would be coordinated with mass site grading and infrastructure development phase of the project. Required permits and regulatory approvals for this alternative would be obtained in advance after the formal City planning process is complete and depending on the development configuration and schedule.
- **Alternative #3: Soil Excavation with On-Site Reuse and Limited Off-Site Disposal**
This alternative is also technically easy to implement. As with Alternative #2, materials, equipment, technologies and service firms required for implementation are readily available and easy to procure. Site accessibility for implementation would be coordinated with the mass site grading and infrastructure development phase of the project. Required permits and regulatory approvals for this alternative would be obtained in advance after the formal City planning process is complete and depending on the development configuration and schedule.

b.3 Cost

- **Alternative #2: Soil Excavation with Offsite Disposal**
It is estimated that implementation of Alternative #2 for Grant Area 1 would cost in the **\$700,000 to \$850,000** range. Costs for implementing this alternative could increase if heavy rainfall events occur during implementation, the likelihood of which may increase over time if existing climate change trends continue.
- **Alternative #3: Soil Excavation**
It is estimated that implementation of Alternative #3 for Grant Area 1 would cost in the **\$450,000 to \$650,000** range. Costs for this alternative could also increase if heavy rainfall events occur during remediation.

c. Recommended Cleanup Alternative

Alternative #3 (Soil Excavation with On-Site Reuse and Limited Off-Site Disposal) is the recommended cleanup alternative for Grant Area 1 of the Hillcrest Site. Alternative #3 was the most cost-effective alternative that also met the SPPA's overall project goal of facilitating redevelopment and minimizing risks to human health and the environment. In addition, Alternative #3 was also determined to have a comparatively lower negative impact on the environment during implementation. As stated previously, Alternative #1 (No Action) cannot be recommended since it does not address site risks and is inconsistent with redevelopment. The following describes the general site activities that would be completed to implement the recommended alternative in Grant Area 1:

- Soil cleanup/remediation of Grant Area 1 will be most efficiently implemented by coordination with the mass grading effort for the property, and will need to consider cut and fill areas, future property boundaries for future developments, future property uses by area, and site geotechnical requirements.
- Mercury-contaminated soil above the residential SRV of 0.5 mg/kg (for areas targeted for residential/recreational use) and industrial SRV of 1.5 mg/kg (for areas targeted for commercial/industrial development) will be excavated from Grant Area 1 and staged in a secured stockpile located in Grant Area 1.
- It is expected that the highest levels of mercury contaminated soil from the former greens in Grant Area 1 will likely require off-site disposal at a permitted landfill. The miscellaneous soil berms with intermixed debris/solid waste located south of the maintenance shop area will also likely require removal and disposal at a permitted landfill.
- The contaminated soil in the stockpile will be managed and consolidated at pre-approved locations in Grant Area 1 consistent with the MPCA and MDA-approved response action plan (RAP)/corrective action plan (CAP).
- The location of the mercury-impacted soil will be documented in a Restrictive Covenant filed with the deed for the property where the mercury contaminated soil was placed.
- Post excavation verification sampling and testing will be completed to demonstrate that the contaminant concentrations in the remaining soil meet the relevant SRVs for future use.

In addition to the above, implementation of the recommended cleanup/remediation alternative should include sealing the two known remaining water wells located in Grant Area 1 in accordance with Minnesota Department of Health (MDH) requirements.

d. Green and Sustainable Remediation Measures for Selected Alternative

To make the selected alternative greener, or more sustainable, several techniques are planned. The most recent Best Management Practices (BMPs) issued under ASTM Standard E-2893: Standard Guide for Greener Cleanups will be used as a reference in this effort. The SPPA will require the cleanup contractor to follow an idle-reduction policy and use heavy equipment with advanced emissions controls operated on ultra-low sulfur diesel. The excavation work would be conducted during the dry-weather months (summertime) in order to minimize groundwater infiltration into the excavation area, in turn reducing dewatering needs and the amount of dewatering liquids requiring disposal/treatment. The number of mobilizations to the Site would be minimized and erosion control measures would be used to minimize runoff. In addition, the SPPA plans to ask bidding cleanup contractors to propose additional green remediation techniques in their response to the Request for Proposals for the cleanup contract.

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ATTACHMENT D

THRESHOLD CRITERIA: COMMUNITY-WIDE PROPOSAL

DRAFT

THRESHOLD CRITERIA

1. Applicant Eligibility

Documentation of Saint Paul Port Authority eligibility (Resolutions, **Statutes**, etc.)

2019 Minnesota Statutes

469.084 ST. PAUL.

§

Subdivision 1. Powers related to recreational facilities.

Notwithstanding any law to the contrary, the port authority of the city of St. Paul may plan for, acquire by condemnation, purchase, or otherwise, construct, improve, operate, directly, by lease or otherwise, and maintain parks and other recreation facilities anywhere within its port district. The port authority shall establish rules on the use of the rivers, lakes, parks and recreation facilities either alone or in cooperation with the federal government or its agencies, the city of St. Paul, the state, or an agency or political subdivision of the state.

Subd. 1a. Meetings by telephone or other electronic means.

The port authority may conduct meetings as provided by section [13D.015](#).

Subd. 2. No police power.

The port authority does not have police power except as provided by subdivisions 1 to 8.

Subd. 3. Consent for city land.

The port authority must not take lands owned, controlled, or used by the city of St. Paul without consent of the city council.

Subd. 4. Port jurisdiction.

For all other recreation purposes the port authority has jurisdiction over the use of all the navigable rivers or lakes and all the parks and recreation facilities abutting the rivers and lakes.

Subd. 5. Expenditures; bonds.

The port authority may spend port authority money to carry out subdivisions 1 to 8 and issue bonds for the purposes in subdivisions 1 to 8 according to either section [469.060](#) or [469.061](#).

Subd. 6. City, county plan approval.

The port authority, prior to taking action under subdivisions 1 to 8, shall submit for approval plans to acquire, improve, and operate parks and recreation facilities along navigable rivers and lakes within its port district to the city of St. Paul and shall submit the plans for all areas located within Ramsey County, whether located within or without the port district, to the county for approval.

Subd. 7. Revenue bonds; sale; rate of interest.

Notwithstanding any law to the contrary, the sale of revenue bonds issued by the port authority

under section [469.061](#), shall be at public sale under section [475.60](#), or in accordance with the procedures set forth in sections [469.152](#) to [469.165](#). The bonds may be sold in the manner and for the price that the port authority determines to be for the best interest of the port authority. A sale must not be made at a price so low as to cause the average annual rate of interest on the money received from the sale to exceed eight percent per year computed by adding the amount of the discount to the total amount of interest payable on all obligations of the series to their stated maturity dates. The bonds may be made callable. If issued as callable, the bonds may be refunded.

Subd. 8. Relation to industrial development provisions.

Notwithstanding any law to the contrary, the port authority of the city of St. Paul, under sections [469.048](#) to [469.068](#) and this section, may do what a redevelopment agency may do or must do under sections [469.152](#) to [469.165](#) to further any of the purposes of sections [469.048](#) to [469.068](#) and subdivisions 1 to 8. The port authority may use its powers and duties under sections [469.048](#) to [469.068](#) and subdivisions 1 to 8 to further the purposes of sections [469.152](#) to [469.165](#). The powers and duties in subdivisions 1 to 8 are in addition to the powers and duties of the port authority under sections [469.048](#) to [469.068](#), and under sections [469.152](#) to [469.165](#). The port authority may use its powers for industrial development or to establish industrial development districts. If the term "industrial" is used in relation to industrial development purposes under sections [469.048](#) to [469.068](#), the term includes "economic" and "economic development."

Subd. 9. May join in supplying small business capital.

Notwithstanding any contrary law, the port authority of the city of St. Paul may participate with public or private corporations or other entities, whose purpose is to provide venture capital to small businesses that have facilities located or to be located in the port district. For that purpose the port authority may use not more than ten percent of available annual net income or \$400,000 annually, whichever is less, to acquire or invest in securities of, and enter into financing arrangements and related agreements with, the corporations or entities. The participation by the port authority must not exceed in any year 25 percent of the total amount of funds provided for venture capital purposes by all of the participants. The corporation or entity shall report in writing each month to the commissioners of the port authority all investment and other action taken by it since the last report. Funds contributed to the corporation or entity must be invested pro rata with each contributor of capital taking proportional risks on each investment. As used in this subdivision, the term "small business" has the meaning given it in section [645.445, subdivision 2](#).

Subd. 10. Recreation facilities on Mississippi River.

The port authority of the city of Saint Paul has jurisdiction over the use of the Mississippi River for recreation purposes within its port district and may acquire and may spend port authority money for lands abutting the river within the port district to construct, operate directly, by lease or otherwise, and maintain recreation facilities. The authority shall establish rules on the use of the river and abutting lands, either individually, or in cooperation with the federal government or its agencies, the city of Saint Paul, the state, or a state agency, or political subdivision.

Subd. 11. Revenue bonds.

Notwithstanding any law or charter provision to the contrary, an issue of revenue bonds

authorized by the port authority of the city of St. Paul shall be issued only with the consent of the St. Paul City Council in a resolution. Notwithstanding any law or charter provision to the contrary, a project to be financed by the port authority of the city of St. Paul by proceeds of revenue bonds shall be financed only with the consent of the St. Paul City Council in a resolution. An existing obligation, contract, collective bargaining or other agreement, fringe benefit plan, or covenant made or entered into by the St. Paul Port Authority is not impaired by this subdivision.

Subd. 12. City supervision of authority employees.

Notwithstanding any law or charter provision to the contrary, the council may, by resolution adopted by a majority of the council, place any employee of the port authority under the direction, supervision, or control of the mayor or a department of the city.

Subd. 13. Investment in commercial paper.

Notwithstanding section [118A.04](#) or other law, the port authority of the city of St. Paul may invest its funds in commercial paper of prime quality in the same manner as the state board of investment may invest money not currently needed.

Subd. 14. Bond for treasurer and assistant treasurer.

The treasurer and assistant treasurer of the port authority of the city of St. Paul shall give bond to the state in sums not to exceed \$25,000 and \$10,000 respectively. The bonds must be conditioned for the faithful discharge of their duties. The bonds must be approved as to both form and surety by the port authority and must be filed with its secretary. The amount of the bonds must be set at least annually by the port authority.

Subd. 15. Bid law exemption.

If the port authority receives real property through termination of a revenue agreement, as defined in section [469.153, subdivision 10](#), or as the result of refinancing and contracts with a corporation to operate the property, the corporation may sell, purchase, or rent supplies, materials, or equipment, or construct, alter, expand, repair, or maintain the real property without regard to section [471.345](#).

History:

[1987 91 s 85](#); [1991 c 98 s 1](#); [1996 c 399 art 2 s 12](#); [2000 c 286 s 1,2](#); [2014 c 206 s 1](#)

2. Previously Awarded Cleanup Grants

The Port Authority of the city of Saint Paul can affirm that the Hillcrest Redevelopment Project has not received funding from a previously awarded EPA Brownfields Cleanup Grant.

3. Site Ownership

The Port Authority of the city of Saint Paul purchased the Hillcrest Redevelopment Project site from Hillcrest Investments LLC. in June 2019.

4. Basic Site Information

(A) The Hillcrest Redevelopment Project,

- (B) 2200 Larparenteur Ave E, St Paul, MN 55109
- (C) Port Authority of the city of Saint Paul

5. Status and History of Contamination at the Site

- (A) The Hillcrest Site is contaminated with both hazardous substances and petroleum products.
- (B) Prior to the 1920s, the Hillcrest Site was cultivated agricultural land or grazing land. The Hillcrest Golf Course was developed in the 1920s for and became a full size 18-hole private golf course/club with clubhouse facilities and various storage/maintenance buildings. Golf course operations ceased in 2017 and the Site has remained unused since that time. Many of the previous golf course buildings remain.
- (C) The primary environmental concerns at the Hillcrest Site include: 1) the presence of residual contamination from past petroleum tank leaks, 2) the potential for agricultural chemical releases to the soil and groundwater (from past use and storage of agricultural chemicals related to golf course operations), and 3) the potential for the repeated historical application of fungicide to result in an accumulation of mercury in the soils over time.
- (D) Past environmental investigations have identified widespread soil contamination at various locations and depths across the Site (including The Phase One Development area). The non-petroleum impacts include mercury contamination from the historical use of specialty fungicides and other turf management agricultural products associated with golf courses dating back to the 1930's and into the 1990's. The areas of mercury impacted soil are widespread and include fairways, tee box, green/fringe areas, and former maintenance/storage areas. The petroleum impacts were primarily associated with the locations of previous petroleum storage tanks and related past reported petroleum releases.

6. Brownfields Site Definition

Hillcrest Redevelopment site does meet the definition of a brownfield under CERCLA § 101(39) as described in the Information on Sites Eligible for Brownfields Funding under CERCLA § 104(k).

We do affirm that the site is: a) not listed or proposed for listing on the National Priorities List; b) 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; and c) not subject to the jurisdiction, custody, or control of the U.S. government

7. Environmental Assessment Required for Cleanup Grant Applications

- (A) ASTM E1903-11 was report filed August 16, 2019
- (B) Report called: Preliminary Phase II environmental site assessment

8. Enforcement or Other Actions

None

9. Sites Requiring a Property-Specific Determination

We have and was approved by EPA Region Area 5; Site Specific Property Determination was issued.

10. **Threshold Criteria Related to CERCLA/Petroleum Liability**

We have and was approved by EPA Region Area 5; Site Specific Property Determination was issued.

DRAFT