

Environmental Response Fund

Spring 2026

Funding Recommendations



Rise on 7 apartments in St. Louis Park received a Fall 2021 ERF grant for abatement and installation of a vapor mitigation system. This former church and parking lot were redeveloped by the City of St. Louis Park on behalf of CommonBond Communities. The project resulted in the construction of 120 affordable housing units (serving households at 30%–70% AMI) and a commercial space that now operates as a daycare.

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Overview

Background

The Environmental Response Fund (ERF) helps revitalize properties by providing funding to assess and clean up contamination. This helps recipients overcome barriers that the cost of environmental cleanup poses to site improvement or redevelopment. Cleaning up these sites also reduces the risk to human health and the environment.

ERF grants are used for a variety of activities that provide community benefit, including:

- Assessment and cleanup of soil and groundwater
- Evaluation and abatement of asbestos and lead-based paint
- Protecting buildings and occupants from contaminated soil gas vapor building intrusion

Since 2001, ERF has funded 510 projects totaling \$84,472,568. Funding for the ERF grant program comes from the Hennepin County mortgage registry and deed tax that was authorized in 1997 under Minnesota Statutes, section 383B.80. The board established the ERF in 1997 (Resolution 97-06-410R1) and authorized the grant program in 2001 (Resolution 01-615).

Applications and review process

A committee of seven staff from Hennepin County's Environment and Energy, Housing and Economic Development, and Land Information and Tax Services departments reviewed the applications and made recommendations for funding. Applications were evaluated on project need, the risk posed by the contamination and the appropriateness of the cleanup approach, creation or preservation of affordable and/or moderately priced market-rate housing, the fostering of economic development, and the readiness of the project to proceed.

The timing of the ERF grant round coincides with contamination cleanup grant programs administered by the Minnesota Department of Employment and Economic Development (DEED) and the Metropolitan Council to maximize collaboration among the three funders.

Summary of award recommendations

Nine applications were received and reviewed. The committee recommends awarding eight grants totaling \$1,989,793. Details on funding recommendations for each project are provided in the individual application summaries that follow.

- **250 Fremont Development, Minneapolis** — \$143,983 requested for soil cleanup associated with the development of new affordable housing building with commercial space. (Grantee: City of Minneapolis on behalf of Lincoln Avenue Communities) Recommended award: \$143,983
- **CLCLT Homes – Spring 2026, Minneapolis** — \$290,000 requested for asbestos and lead-based paint abatement associated with the rehabilitation of 13 affordable owner-occupied single-family homes. (Grantee: City of Lakes Community Land Trust) Recommended award: \$0
- **Grain Exchange Redevelopment, Minneapolis** — \$500,000 requested for asbestos and lead-based paint abatement associated with the renovation of three commercial office buildings into mixed-use commercial and residential with affordable and market-rate

housing units. (Grantee: City of Minneapolis on behalf of Grain Exchange Housing Limited Partnership) Recommended award: \$466,000

- **InnerCity Tennis, Minneapolis** — \$690,500 requested for soil cleanup associated with the development of an athletic facility. (Grantee: City of Minneapolis on behalf of InnerCity Tennis Foundation) Recommended award: \$608,500
- **Maple & Main Apartment Development, Maple Plain** — \$333,500 requested for soil cleanup and installation of a soil vapor mitigation system associated with the development of a new market-rate residential building. (Grantee: City of Maple Plain on behalf of North Shore Maple Plain, LLC) Recommended award: \$240,000
- **Minnesota Brownfields Brownfield Gap Financing Program** — \$400,000 requested to continue the Brownfield Gap Financing Program, which provides small environmental grants to government entities, non-profit organizations, and emerging developers. (Grantee: Minnesota Brownfields) Recommended award: \$400,000
- **Sawhorse Building, Robbinsdale** — \$46,960 requested for installation of a soil vapor mitigation system into an existing commercial building. (Grantee: 4740 Partners LLC) Recommended award: \$46,960
- **Washburn-McReavy Robbinsdale Chapel & City of Robbinsdale Redevelopment Site, Robbinsdale** — \$178,150 requested for a hazardous building materials survey, soil cleanup, and installation of a soil vapor mitigation system associated with development of a new market-rate residential building. (Grantee: 4orty 2wo Development, LLC) Recommended award: \$39,350
- **Wooddale Station Redevelopment, St. Louis Park** — \$171,500 requested for soil cleanup, demolition, and well sealing associated with the development of new affordable and market-rate housing units. (Grantee: Sentinel Management Company) Recommended Award: \$45,000

The recommended ERF grant awards will fund soil cleanup, vapor mitigation and sampling, abatement activities, and assessment. The awards will also assist developments that increase the tax base, create or retain permanent jobs, and create and retain affordable housing. The recommended grants provide for the renovation or construction of approximately 496 affordable housing and 479 market-rate units. ERF grants reduce environmental contamination and support projects in communities with disparities in health, housing, employment, and income.

Additional funding mechanisms

In addition to the ERF, Hennepin County offers several other funding mechanisms for brownfields assessment and cleanup.

Through grants from the U.S. Environmental Protection Agency (EPA), Hennepin County has low-interest loans available for brownfields cleanup from its Revolving Loan Fund (RLF) program.

Hennepin County also provides funding for brownfields environmental assessments to cities and nonprofit organizations on a rolling basis. This assessment funding comes from the county's RLF loan repayment proceeds and the Minnesota Brownfields Gap Financing Program (funded through an ERF grant).

These flexible funding sources have helped many organizations develop the environmental assessment information needed to submit applications to the ERF, DEED, and the

Metropolitan Council for cleanup funding. Two of the ERF Spring 2026 applicants have received assessment funding from one or more of these other county funding sources.

Application summaries

Summaries of the individual applications received are attached to this report and include a description of each project and the funding rationale.

Key of acronyms

Affordable Housing Incentive Fund
(AHIF) Area Median Income (AMI)
Black, Indigenous, and People of Color (BIPOC)
Diesel Range Organics (DRO)
Full Time Equivalent (FTE)
Gasoline Range Organics (GRO)
Local Housing Incentive Account (LHIA)
Minnesota Department of Employment and Economic Development (DEED)
Minnesota Park and Recreation Board (MPRB)
Minnesota Pollution Control Agency (MPCA)
Polychlorinated Biphenyls (PCBs)
Polycyclic Aromatic Hydrocarbons (PAHs)
Polyfluorinated Alkyl Substances (PFAS)
Transit Oriented Communities (TOC)
United States Environmental Protection Agency
(EPA) Volatile Organic Compounds (VOCs)

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250 Fremont Development

Address: 250 Fremont Avenue North, Minneapolis

Applicant: City of Minneapolis on behalf of Lincoln Avenue Communities

Property owners: MDG 250 MPLS LLC

Recommended award: \$143,983 (\$143,983 requested)

Award recommendation

The activities are eligible for funding. The recommended award is equal to the amount requested in the grant application.

Previous ERF awards: None.

Other funding sources

- DEED \$340,583 (requested)

Economic development/housing impact

- Increases the tax base.
- Estimated new FTEs.
- Adds approximately 241 units of affordable housing at 60% AMI. Units include a mix of one-bedroom to three-bedrooms.
- Creates approximately 2,100 square feet of new commercial space.

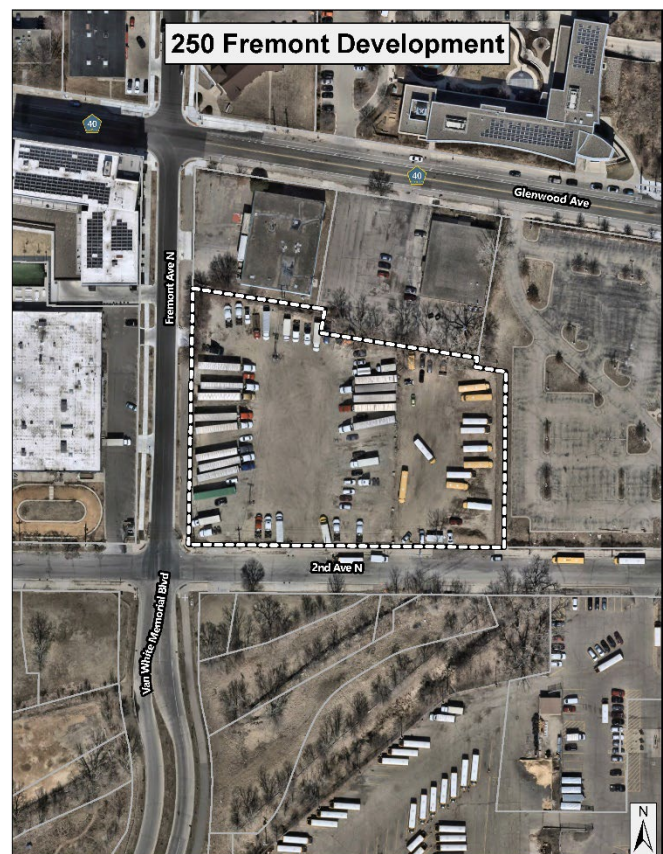
Site description:

Former semi-truck parking lot and school bus storage site. Historically occupied by a lumber yard, machine shop, and other commercial and industrial businesses.

Contamination issues: Soil is contaminated with metals and PAHs. Groundwater is contaminated with various VOCs.

Project plans: Development of mixed-use residential and commercial building.

Requested use of ERF grant: Funding for soil cleanup.



CLCLT Homes – Spring 2026

Address: 2108 Glenwood Ave, 2418 Cole Ave SE, 2501 16th Ave S, 2543 10th Ave S, 3015 36th Ave S, 3132 Park Ave, 3417 5th Ave S, 3654 Queen Ave N, 3844 38th Ave S, 3905 26th Ave S, 4217 12th Ave S, 5417 Nokomis Ave S, 5724 46th Ave S (all in Minneapolis)

Applicant: City of Lakes Community Land Trust

Property owner: Various

Recommended award: \$0 (\$290,000 requested)

Award recommendation

The activities are eligible for funding; however, CLCLT currently has significant unspent funds remaining from two previous ERF grants awarded in 2024 and 2025. Therefore, no additional award is recommended at this time.

Previous ERF awards: 108 homes through 11 previous ERF grants (\$140,000 Fall 2025, \$480,000 Fall 2024, \$220,000 Fall 2023, \$175,000 Fall 2022, \$270,000 Fall 2021, \$150,000 Fall 2020, \$200,000 Fall 2018, \$225,000 Fall 2017, \$230,000 Fall 2016, \$115,000 Fall 2015, and \$170,000 Fall 2014).

Other funding sources

- Hennepin County AHIF \$160,000 (committed)

Economic development/housing impact

- Creates and preserves 13 permanently affordable single-family homes. The CLCLT program provides a pathway for low-income families to become homeowners with support.

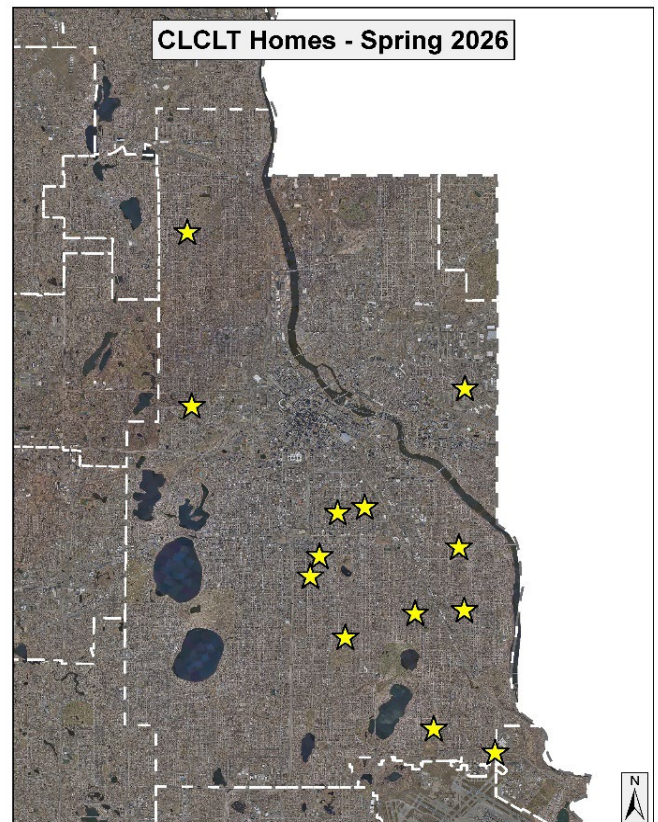
Site description:

Occupied single-family homes.

Contamination issues: Asbestos-containing materials and lead-based paint are present in the existing homes.

Project plans: Rehabilitation of single-family homes in exchange for making the homes permanently affordable.

Requested use of ERF grant: Funding for asbestos and lead-based paint abatement.



Grain Exchange Redevelopment

Addresses: 400 4th Street South and 301 4th Avenue South, Minneapolis

Applicant: City of Minneapolis on behalf of Grain Exchange Housing Limited Partnership

Property owners: MGEX Real Estate Holdings LLC

Recommended award: \$466,000 (\$500,000 requested)

Award recommendation

The activities are partially eligible for funding. The recommended award is reduced to exclude ineligible costs.

Previous ERF awards: None

Other funding sources

- Metropolitan Council \$1,943,350 (requested)

Economic development/housing impact

- Increases the tax base.
- Estimated 15 new and retains up to 362 FTEs.
- Adds approximately 197 units of affordable housing at 60% AMI and 35 units of market-rate housing. Units include a mix of studio to three bedrooms.
- Retains approximately 46,000 square feet of commercial space.

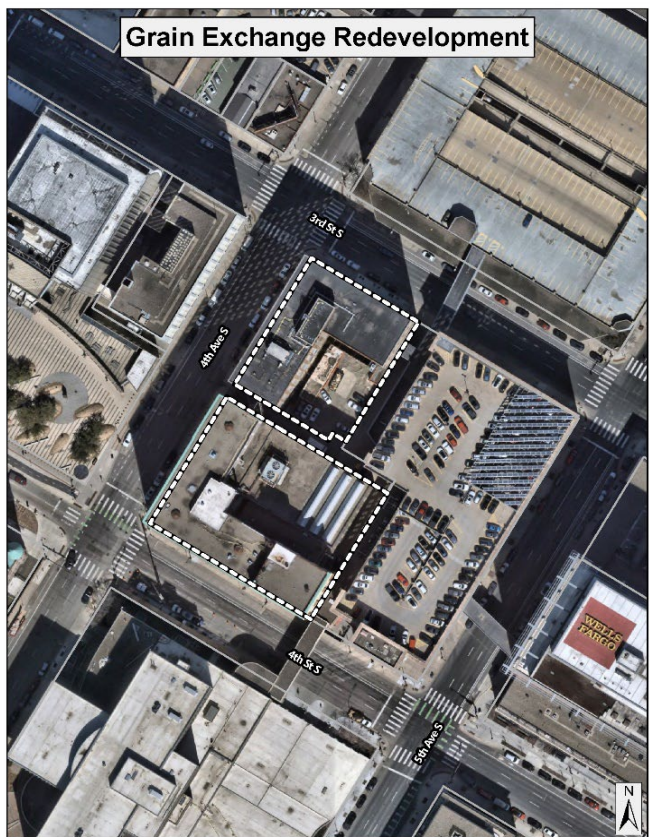
Site description:

Various commercial offices occupied by the United States Postal Service, Minneapolis Police Department, and others. Historically occupied by various commercial tenants as office space.

Contamination issues: Asbestos-containing materials and lead-based paint are present in the existing buildings.

Project plans: Rehabilitation of existing buildings for mixed-used residential and commercial space. Commercial space is planned to contain retail, an event center, and offices, including retention of the existing postal and police offices.

Requested use of ERF grant: Funding for asbestos and lead-based paint abatement.



InnerCity Tennis

Address: 155 Irving Ave N, Minneapolis

Applicant: City of Minneapolis on behalf of InnerCity Tennis

Property owners: 155 Irving LLC C/O Wellington Management. Inc.

Recommended award: \$608,500 (\$690,500 requested)

Award recommendation

The activities are partially eligible for funding. The recommended award is reduced to exclude ineligible costs.

Previous ERF awards: Minnesota Brownfields Gap Financing Program (ERF funded) — \$24,932

Other funding sources

- DEED \$1,035,800 (requested)

Economic development/housing impact

- Estimated 13 new FTEs.
- Create a new community-centered youth athletic facility.

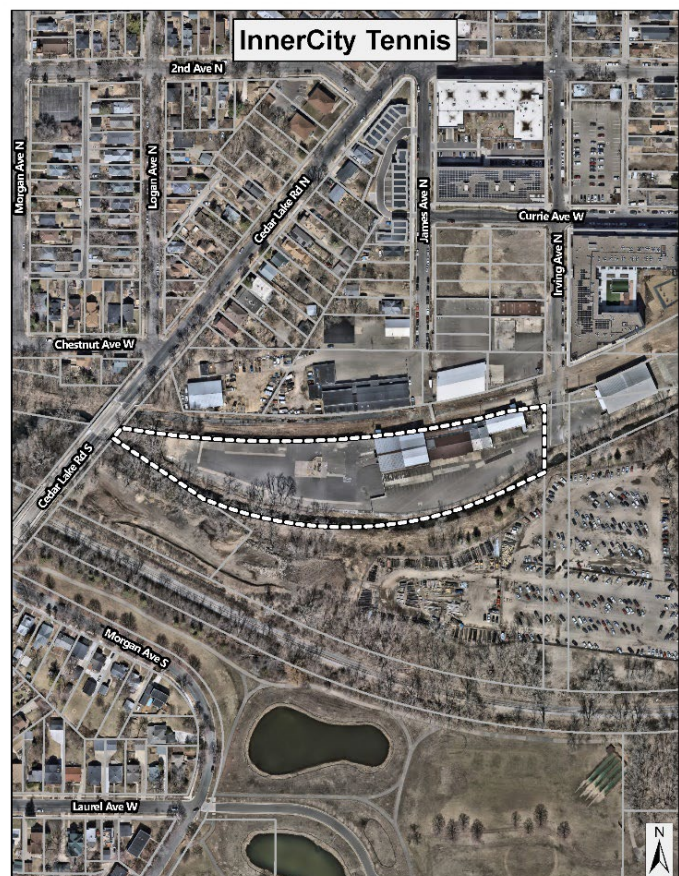
Site description:

Formerly used as a paper processing facility and for unpermitted dumping/filling.

Contamination issues: Soil is contaminated with petroleum, PAHs, and metals. Groundwater is contaminated with petroleum and PFAS. Soil vapor is contaminated with VOCs.

Project plans: Demolition of existing industrial building and development of a new commercial athletic facility.

Requested use of ERF grant: Funding for soil cleanup.



Maple & Main Redevelopment

Address: 1620 Maple Avenue; 5209 and 5249 US Highway 12; 5220 and 5230 Main Street, Maple Plain

Applicant: City of Maple Plain on behalf of North Shore Maple Plain, LLC

Property owners: City of Maple Plain

Recommended award: \$240,000 (\$333,500 requested)

Award recommendation

The activities are partially eligible for funding. The recommended award is reduced to exclude ineligible costs.

Previous ERF awards: None.

Other funding sources

- None

Economic development/housing impact

- Increases the tax base.
- Estimated up to 10 new FTEs.
- Adds approximately 95 market-rate housing units. Units include a mix of studio to two bedrooms.

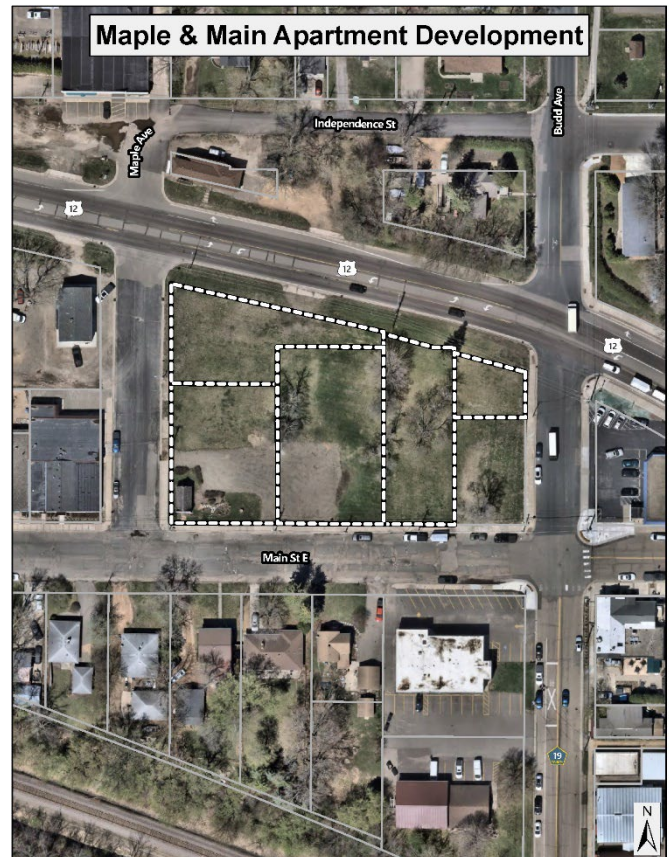
Site description:

Vacant lot formerly occupied by a gas station, water treatment plant, post office, and residential dwellings.

Contamination issues: Soil, groundwater, and soil vapor are contaminated with petroleum.

Project plans: Development of new multi-tenant residential building.

Requested use of ERF grant: Funding for soil cleanup and installation of a soil vapor mitigation system.



Minnesota Brownfields Brownfield Gap Financing Program

Address: County-wide, multi-site (to be determined)

Applicant: Minnesota Brownfields

Property owner: Various (to be determined)

Recommended award: \$400,000 (\$400,000 requested)

Award recommendation

The activities are eligible for funding. The recommended award is equal to the amount requested in the grant application.

Previous ERF awards: \$400,000 Spring 2025, \$400,000 Spring 2024, \$200,000 Fall 2022, \$200,000 Fall 2021, \$200,000 Fall 2020, \$225,000 Fall 2019, \$200,000 Fall 2018, \$200,000 Fall 2017, \$250,000 Fall 2016, \$200,000 Fall 2015, \$150,000 Fall 2014, and \$150,000 Fall 2013.

Other funding sources

- None

Economic development/housing impact

- Promotes affordable housing and economic development.
- Provides funding to non-profit entities, emerging developers, and local units of government.

Site description:

The county established the Brownfields Gap Financing (BGF) Program in 2007 to provide timely funding for local units of government and non-profit organizations to address smaller-scope environmental issues for projects with limited budgets. In 2024, emerging developers were added to the list of eligible applicants. Minnesota Brownfields, a non-profit organization, has administered the program since 2013. Projects requesting assistance from the program submit applications on a rolling basis and are evaluated by Minnesota Brownfields and county staff. This grant round, two projects were also assisted by BGF Program grants: InnerCity Tennis and Washburn-McReavy Robbinsdale Chappel/City of Robbinsdale Development Site.

Contamination issues: To be determined.

Project plans: As of May 2026, Minnesota Brownfields has committed over 90% of the funds from the last grant award of \$400,000 in Spring 2025. Full expenditure of remaining funds is expected before the end of 2026. Since 2013, 135 affordable housing projects, one market-rate housing project, 23 school and community garden projects, 36 neighborhood revitalization projects, 16 projects related to arts and culture, and 24 projects related to youth, family, and health services have benefited from the BGF Program.

Requested use of ERF grant: Funding for environmental assessment to support the continuation of the BGP Program.

Sawhorse Building

Address: 4740 & 4750 42nd Avenue North, Robbinsdale

Applicant: 4740 Partners LLC

Property owner: 4740 Partners LLC

Recommended award: \$46,960 (\$46,960 requested)

Award recommendation

The activities are eligible for funding. The recommended award is equal to the amount requested in the grant application.

Previous ERF awards: None.

Other funding sources

- None.

Economic development/housing impact

- Estimated 85 retained and/or new FTEs.

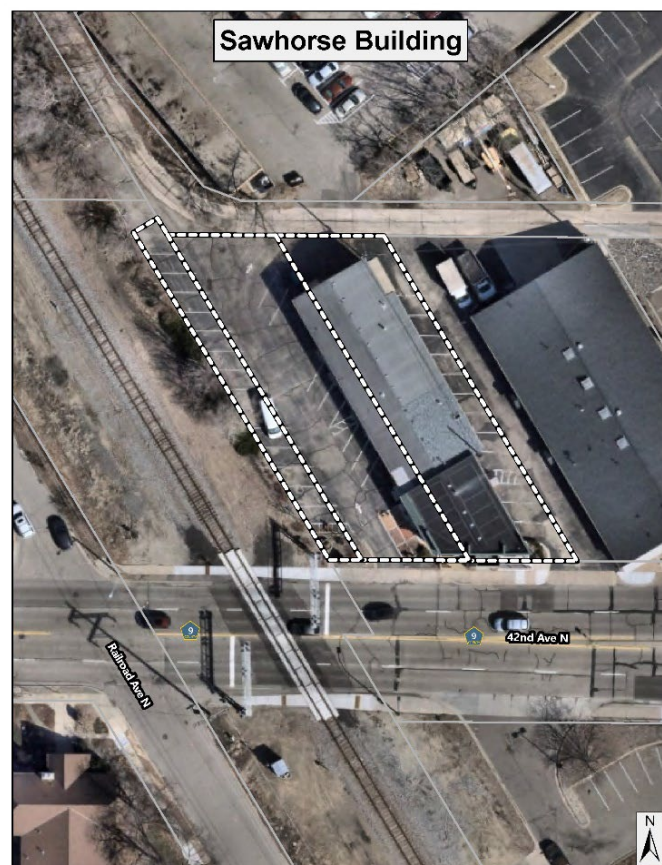
Site description:

Site has been redeveloped to accommodate multiple commercial tenants. Site was historically a lumber yard, and various commercial businesses including pool supply and lawncare.

Contamination issues: Soil vapor is contaminated with chloroform.

Project plans: Installation of a vapor mitigation system to protect the health of current building occupants.

Requested use of ERF grant: Installation of a soil vapor mitigation system.



Washburn-McReavy Robbinsdale Chapel and City of Robbinsdale Redevelopment Site

Address: 4205/5239 West Broadway Ave and 4716/4718 42nd Ave N, Robbinsdale

Applicant: 4orty 2wo Development, LLC

Property owner: City of Robbinsdale; McReavy Swanson BLD LTD PTSP;

CPEC Exchange40996, LLC

Recommended award: \$39,350 (\$178,150 requested)

Award recommendation

The activities are partially eligible for funding. The recommended award is reduced to exclude ineligible costs associated with contingency soil management and installation of a soil vapor mitigation system without supporting analytical data exceeding risk-based criteria.

Previous ERF awards: Minnesota Brownfields Brownfield Gap Financing Program - \$25,000

Other funding sources

- None

Economic development/housing impact

- Increases the tax base.
- Estimated up to 5 new FTEs.
- Adds approximately 142 units of market-rate housing.

Site description:

Site is currently a funeral home, and a portion of the site was historically used as a gas station.

Contamination issues: Soil is contaminated with petroleum and PAHs.

Project plans: Demolish existing building to construct a new market-rate housing building.

Requested use of ERF grant: Funding for soil cleanup, installation of a soil vapor mitigation system, and pre-demo hazardous building materials survey.



Wooddale Station Redevelopment

Address: 5802 and 5950 West 36th Street, St. Louis Park

Applicant: Sentinel Management Company

Property owner: Standal Properties Inc and the City of St. Louis Park

Recommended award: \$45,000 (\$171,500 requested)

Award recommendation

The activities are partially eligible for funding. The recommended award is reduced to exclude ineligible costs associated with demolition and well sealing.

Previous ERF awards: \$282,000 Spring 2023; \$239,000 Spring 2022; \$92,230 Fall 2016

Other funding sources

- Hennepin County TOC \$250,000 (committed)
- DEED \$199,000 (requested)
- Metropolitan Council \$1,089,300 (committed)

Economic development/housing impact

- Increases the tax base.
- Estimated 10 new and 17 retained FTEs.
- Adds approximately 58 units of affordable housing at 30% to 60% AMI and approximately 207 units of market-rate housing. Units range in size from studio to three bedrooms.
- Adds 7,000 feet of commercial space.

Site description:

One vacant industrial building and one occupied commercial building. Historically occupied by industrial manufacturing businesses, petroleum retailers, a computer manufacturer, and various commercial tenants.

Contamination issues: Soil is contaminated with petroleum, metals, PAHs, and VOCs. Groundwater is contaminated with PFAS. Soil vapor is contaminated with VOCs.

Project plans: Remove existing buildings and construct a new mixed-use commercial and multi-tenant residential building.

Requested use of ERF grant: Funding for soil cleanup, demolition, and well sealing.

