1. **Applicant Identification**
   City of Rochester
   201 4th Street SE
   Rochester, MN 55904

2. **Funding Requested**
   a. Assessment Grant Type: Community-wide
   b. Federal Funds Requested
      i. $500,000

3. **Location**
   a. City: Rochester
   b. County: Olmsted
   c. State: Minnesota

4. **Target Area and Priority Site/Property Information**
   a. Target Areas
      i. Associated Milk Producers Inc. (AMPI) Property, 700 1st Avenue SE, Census Tract 3
      ii. Silver Lake Power Plant, 198 7th Street NE, Census Tract 6
      iii. Former Rochester City Mill, 11 4th Street SE, Census Tract 1
      iv. Civic Center South Property, 401 4th Street SE, Census Tract 3

5. **Contacts**
   a. Project Director
      Name: Cindy Steinhauser, ICMA-CM
      Phone: (507) 328-2015
      Email: csteinhauser@rochestermn.gov
      Mailing Address: City of Rochester, 4001 West River Parkway NW, Suite 100, Rochester, MN 55901

   b. Chief Executive/Highest Ranking Elected Official
      Name: Mayor Kim Norton
      Phone: (507) 328-2700
      Email: knorton@rochestermn.gov
      Mailing Address: City of Rochester, 201 4th Street SE, Room 281, Rochester, MN 55904
6. **Population**  
   118,935  

7. **Other Factors**

<table>
<thead>
<tr>
<th>Other Factors</th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community population is 10,000 or less.</td>
<td>N/A</td>
</tr>
<tr>
<td>The applicant is, or will assist, a federally-recognized Indian tribe or United States territory.</td>
<td>N/A</td>
</tr>
<tr>
<td>The priority brownfield site(s) is impacted by mine-scarred land.</td>
<td>N/A</td>
</tr>
<tr>
<td>The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).</td>
<td>1, 2, 3, 4, 5</td>
</tr>
<tr>
<td>The priority site(s) is in a federally designated flood plain.</td>
<td>2</td>
</tr>
<tr>
<td>The reuse of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy.</td>
<td>2, 3, 4, 9</td>
</tr>
<tr>
<td>The reuse of the priority site(s) will incorporate energy efficiency measures.</td>
<td>9</td>
</tr>
<tr>
<td>30% or more of the overall project budget will be spent on eligible reuse planning activities, as described in Section 1.A., for priority site(s) within the target area.</td>
<td>4, 7, 8, 9</td>
</tr>
<tr>
<td>The target area(s) is located within a community in which a coal-fired power plant has recently closed (2011 or later) or is closing.</td>
<td>1, 2, 5</td>
</tr>
</tbody>
</table>

8. **Letter from the State or Tribal Environmental Authority**  
   See attached  

9. **Releasing Copies of Applications**  
   Not applicable, the application does not include confidential, privileged, or sensitive information
November 19, 2021

VIA EMAIL

Kim Norton, Mayor
City of Rochester
201 4th St SE
Rochester, MN 55904

RE: City of Rochester EPA Brownfield Assessment Grant Application
Letter of Support from the MPCA Brownfield Program

Dear Kim Norton:

On behalf of the Minnesota Pollution Control Agency (MPCA), we are writing to acknowledge and support the proposed assessment activities for the City of Rochester in fulfillment of the criteria of the United States Environmental Protection Agency (EPA) Fiscal Year 2022 Brownfield Assessment Grant guidelines.

The City of Rochester has informed the MPCA that they intend to perform petroleum and hazardous substances assessment activities through a Brownfield Community-wide Assessment Grant in the City of Rochester in Minnesota. Assessment activities would include assessments and remedial planning at brownfields, including the Opportunity Zone within the DMC Development District.

The MPCA is supportive of the City of Rochester application for the EPA Brownfield Assessment Grant. Should this grant be awarded, the MPCA will partner with the City of Rochester to help them improve the environment and build a better future for residents in the city. If you have any questions, please contact Shanna Schmitt at 651-757-2697 or by email at shanna.schmitt@state.mn.us or Stacey Hendry-Van Patten at 651-757-2425 or by email at stacey.vanpatten@state.mn.us.

Sincerely,

Shanna Schmitt
Hydrogeologist
Remediation Division

Stacey Hendry-Van Patten
Project Manager
Remediation Division

cc: Andrew Seth, Sustainable Strategies DC (electronic)
   Cindy Steinhauser, City of Rochester (electronic)
I. PROJECT AREA DESCRIPTION & PLANS FOR REVITALIZATION

a. Target Area & Brownfields

i. Background & Description of Target Area – Rochester (population 118,935), Minnesota’s third largest city, is home to the renowned Mayo Clinic (#1 ranked hospital by U.S. News & World Report). Mayo Clinic employs more than 33,000 people and draws 3 million visitors annually from over 120 countries globally. Excluding state government, Mayo Clinic is the largest employer in Minnesota.

The area developed as a stagecoach stop between Saint Paul and Dubuque near the Zumbro River. The community was founded in 1854 and named after founder George Head’s hometown of Rochester, New York. Dr. William Mayo arrived in 1863 as the examining surgeon for Union draftees in the Civil War. A major hurricane in 1883 demolished much of Rochester. As there was no medical facility in town at the time, Dr. Mayo and his sons cared for the injured. After the crisis, donations were collected and the local Sisters of St. Francis religious order opened a facility named St. Marys Hospital (later the Mayo Clinic) in 1889.

Rochester celebrates its diversity and health care connection. The community is ethnically rich (25.0% minority), with significant Black/African American (8.2%), Asian (7.3%), and Hispanic (5.9%) populations. Over 23 languages are spoken in Rochester. Rochester officially became the first American locality to become an “Intercultural City” in 2018. Intercultural Cities have diverse populations, inclusive of people with different nationalities, origins, languages, religions, and beliefs. Rochester also endeavors to be “America’s City for Health.” As the world’s premier destination for wellness, the City seeks to use brownfields redevelopment tools to link its growth with healthy living.

Rochester is experiencing major growth in population, jobs, and downtown development associated with its Destination Medical Center (DMC) initiative – a $5.6 billion Mayo Clinic expansion. The purpose of the DMC initiative is to transform Rochester into an international model for medical research, treatment, and innovation. This growth is helping to revitalize distressed neighborhoods, including “Areas of Persistent Poverty” as defined by the 2021 Consolidated Appropriations Act and a federally-designated Opportunity Zone that encompasses much of Rochester’s downtown and Mayo Clinic campus.

The 20-year DMC initiative seeks to “identify brownfield sites for redevelopment to remove blight and take development pressure off undeveloped land.” Rochester’s DMC Downtown Waterfront Sub-District (Census Tracts 1, 3, and 6) includes garages, former manufacturing plants, a decommissioned coal utility, and other industrial locations with a legacy of contamination. This area, the focus of this application, threatens the health of residents, as well as hinders renewal efforts.

ii. Description of the Priority Brownfield Site(s) – In 2021, Rochester unanimously adopted a Downtown Waterfront Southeast Small Area Plan to reclaim 60+ acres of brownfields within the DMC Downtown Waterfront Sub-District footprint and adjacent to the Zumbro River. The City plans to revitalize this racially-diverse and economically-distressed area with mixed-use development. Former industrial properties will be transformed into a historic warehouse district with a variety of housing options, thriving local businesses, inviting public spaces, and riverfront activation. Catalytic waterfront brownfields include:

- **Associated Milk Producers Inc. (AMPI) Site at 700 1st Avenue SE** – Since 1969, this 12.6-acre riverfront site, located just south of Mayo East Parking Lot between South Broadway and 3rd Avenue SE, has operated as a dairy processing facility with production, warehouse, and storage capabilities, as well as shipping and receiving functions. The parcel was previously the site of the G.C. Stevenson & Co. Grain Elevator (built in 1896). Potential contaminants include coal ash, heavy metals, cleaning chemical residues, asbestos, and lead, and petroleum/diesel/oil. The site is near a proposed transit mobility hub, a City-Olmsted County-DMC partnership to address transportation/commuter needs and affordable housing. Assessment and cleanup of the AMPI site is the City’s top redevelopment priority.

- **Silver Lake Power Plant at 198 7th Street NE** – This coal-operated power plant went online in 1949 and has reached the end of its useful life. The Rochester Public Utilities Board has decommissioned the utility and plans have been approved to demolish its stacks. The 11.7-acre site, located along Silver Lake, is
expected to be contaminated with coal ash (arsenic, boron, cadmium, chromium, lead, radium, selenium, and more) and petroleum. The property, within an Opportunity Zone, will be redeveloped as a park.

- **Former Rochester City Mill at 11 4th Street SE** – This 2.2-acre prime waterfront site is currently home to a small office/retail building, a City-owned garage structure, and surface parking. The property is located along Rochester’s Riverwalk and adjacent to the 470,000-square foot Mayo Civic Center. It was formerly the location of the Rochester City Mill (built in 1856). Expected contaminants include coal ash, asbestos, and petroleum. Rochester released a “Riverfront Re-Imagined” Statement of Interest in 2019 and is actively seeking a development partner to revitalize and transform one of Rochester’s best remaining land assets. It is situated in the City’s Opportunity Zone, as well as within the floodway.

- **Civic Center South Property at 401 4th Street SE** – Across the Zumbro River from the Mayo Civic Center, this 3.8-acre waterfront site (located in a 500-year floodplain, with a small corner in the 100-year floodplain) currently serves as a 330-space surface parking lot. An auto repair shop once sat on the southwest corner. The site was also previously home to the Rochester Water Works Pumping Station. Expected contaminants include coal ash, asbestos, and petroleum. It is planned for mixed-use development, including retail, office, and multi-family residential.

Health disparities (asthma, cancer, heart disease) are prevalent in disadvantaged neighborhoods near the targeted brownfields. Exposure pathways may be contributing to these health effects. Contaminants in the floodplain may also migrate due to a high-water table, flash flooding, and Zumbro River overflows. Cleanup of key brownfields on land willfully overlooked due to contamination concerns complements local plans to prevent gentrification, promote affordable housing, increase transit-oriented development, encourage sustainable development (including district energy adoption), and support smart growth.

**b. Revitalization of the Target Area**

i. **Reuse Strategy & Alignment with Revitalization Plans** – Reusing brownfields will help Rochester meet the goals of becoming “America’s City for Health,” spurring infill development to accommodate expected growth (more than 50,000 new residents by 2040) and improving waterfront access. As the downtown core is largely built-out, Rochester’s redevelopment strategy includes reusing vacant and underutilized land for a mix of uses, including residential, retail, commercial, parks, health and wellness, and hospitality.

Brownfields redevelopment aligns with the DMC planning effort. Rochester, Olmsted County, the Rochester-Olmsted County Council of Governments, and Mayo Clinic participated in the development of the **DMC Development Plan** to create a long-term vision for downtown growth. The DMC initiative is one of the largest and most innovative economic development strategies ever undertaken in Minnesota. Its purpose is to secure Rochester’s and Minnesota’s status as a global medical destination. It is anticipated that the DMC initiative will result in $5.6 billion in private investments in downtown Rochester. This includes support by Mayo Clinic and other private investors, as well as $585 million in public funding.

Reusing brownfields will help to transform the perception of Rochester as a medical campus into a vibrant city. The strategy seeks to create a town square, utilizing river/waterfront assets, to create a 365-day destination for residents and visitors alike. By developing this type of space, the plan enhances the viability of the Mayo Civic Center as a regional convention center and will spur mixed-use development in and around the downtown. The DMC initiative is estimated to grow the employment base in Rochester by up to 45,000 jobs and more than double visitation from Mayo Clinic patients/companions, business travelers, convention goers, and other visitors. Downtown brownfields cleanup supports data that shows that Mayo Clinic visitors spend 70% of their time outside the hospital, necessitating the reuse of dormant land to meet consumer needs.

Redevelopment of the AMPI site prompted the creation of a **Downtown Waterfront Southeast Small Area Plan** in 2020. Over 60 acres of brownfields adjacent to the Zumbro River have been envisioned as “a mixed-use urban district that embraces economic, social, and environmental health.” The plan seeks to:

- Increase **economic equity** by reintroducing retail that serves the surrounding neighborhoods; increasing transportation options to area employment; creating more housing options at a variety of price points; and
growing the tax base by redeveloping underutilized properties.

- Increase **social equity** by creating a variety of inclusive public spaces where none existed; maximizing accessibility for people of all abilities; and developing commercial areas with flexible spaces that can accommodate a variety of start-up businesses.

- Increase **environmental equity** by reducing the amount of impervious surfaces from 95% to 85%; increasing the tree canopy by over 500%; introducing district-wide stormwater management; encouraging walking, biking, and transit use through safer street designs, thus mitigating vehicle emissions; adding connections, such as the 6th Street Bridge and new streets, that will promote multi-modal transportation; introducing district energy; and creating multiple ways to access the Zumbro River and leverage its potential for passive and active recreation.

Assessment resources also complement the *Planning 2 Succeed: Rochester Comprehensive Plan 2040*, which encourages reuse of vacant and underutilized land along the waterfront. The plan includes strategies to “promote the redevelopment of brownfields and grayfields into compact, mixed-use, and walkable environments.” EPA Brownfields funding will enable the City to assess key properties, accelerate Opportunity Zone investment, and implement its revitalization plans.

**ii. Outcomes & Benefits of Reuse Strategy** – Key outcomes of DMC redevelopment include the creation up to 6.8 million square feet of hospital space, over 1 million square feet for bio-med-tech businesses, up to 3,100 residential units, 310,000 square feet of office space, approximately 320,000 square feet of retail/dining/entertainment space, and 7 additional hotels. Up to 45,000 new jobs will be created. Brownfields redevelopment supports DMC’s goals, providing employment, rising wages, healthy living, enhanced public safety, and improved mobility. The cleanup of sites adjacent to the Zumbro River also provides park space and waterfront access. Overall, revitalization of the DMC Development District will generate over $270 million in additional City tax revenues, $218 million in Olmstead County taxes, and up to $2.2 billion in State tax collections over a 20-year period.

The DMC Downtown Waterfront Sub-District is prime for revitalization. As Rochester is anticipated to grow by 50% over the next 20 years, it is essential that brownfields are reclaimed for mixed-use development. EPA Assessment resources will directly support the creation of a mixed-use warehouse district along the Zumbro River. The City’s *Downtown Waterfront Southeast Small Area Plan (2020)* envisions an area with a mix of housing, retail/commercial development, parks, and other amenities. A 2020 study identified the need for 3,400 units of market rate housing and 2,400 affordable housing units in the target area. Redevelopment of the AMPi site alone will create 750 units of market rate housing and 750 affordable housing units, as well as up to 100,000 square feet of retail, 75,000 square feet of office space, and 140 rooms of hotel lodging.

The project aligns with Rochester’s 2017 *Energy Action Plan*. The City seeks to transition to 100% renewable energy by 2030. A key strategy of Rochester’s energy future is district energy. District energy systems are networks of hot and cold water pipes, typically buried underground, that efficiently heat and cool connected buildings using thermal energy. District energy will help Rochester to reduce greenhouse gas emissions (approximately 7,400 metric tons of carbon dioxide emissions annually) and promote compact urban development. District energy infrastructure will support the new warehouse district along the waterfront.

**c. Strategy for Leveraging Resources**

**i. Resources Needed for Site Reuse** – Rochester has extensive experience leveraging federal dollars with public and private resources. The City has already secured a major State commitment to support downtown revitalization: Minnesota has pledged $585 million over 20 years for DMC development. Mayo Clinic has committed $3.5 billion in downtown investment. These dollars are expected to leverage an additional $2.1 billion in private resources. State and federal brownfields cleanup resources will help to support remediation of assessed sites.

<table>
<thead>
<tr>
<th>Source</th>
<th>Purpose</th>
<th>Status</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Minnesota</td>
<td>DMC infrastructure improvements and economic development</td>
<td>Committed</td>
<td>$585 million</td>
</tr>
</tbody>
</table>
Mayo Clinic | Downtown hospital construction | Committed | $3.5 billion
Additional private investment | DMC business growth (bio-med-tech) | Expected | $2.1 billion
Minnesota Main Street Economic Revitalization Program Grant | Subgrants of up to $750,000 to support downtown development | Committed | $3.1 million
Minnesota Cleanup Grants | Remediation of EPA-assessed sites | Anticipated | $1-2 million
DOT RAISE Grant | New Complete Street and bridge construction | Anticipated | $10 million
FTA Small Starts Funding | Bus rapid transit along DMC corridors | Anticipated | $100 million
Opportunity Zone Investment | Redevelopment of DMC properties | Ongoing | $100+ million

ii. Use of Existing Infrastructure – Brownfield redevelopment takes advantage of existing roads, sewers, utilities, and transit facilities. Properties are connected to Rochester’s expansive skyway system as well as linked to 110 miles of bike and pedestrian trails. The City is pursuing Small Starts funds from FTA to develop a $114 million Bus Rapid Transit line that will connect the downtown waterfront sites to a planned transit-oriented development corridor providing, relief from vehicular congestion. Rochester is also chasing a DOT RAISE grant to design the 6th Street bridge, which will increase transportation options in the target area and improve emergency vehicle response time to these neighborhoods. The community will seek funding from the recently passed federal infrastructure bill to support its planned district energy system. Finally, planning resources are budgeted for an infrastructure needs assessment to help Rochester determine how to upgrade existing infrastructure in order to sustain new growth.

II. COMMUNITY NEED & COMMUNITY ENGAGEMENT
a. Community Need
i. The Community’s Need for Funding – Rochester is limited in its ability to assess contaminated sites without EPA assistance. As the City prepares for anticipated growth (more than 50,000 new residents by 2040), Rochester has a desperate need for additional investment in its streets, parks, library, and other public facilities. Current revenue is insufficient to fund these vital community assets at a sustainable level. The condition of publicly-owned infrastructure is declining and the deferred maintenance backlog is increasing. The expense to repair these assets only grows.

Mayo Clinic is a major landowner in Rochester. Non-profit organizations like the Mayo Clinic pay no taxes on property classified for education and research. This limited tax base challenges Rochester in providing municipal services. As a regional economic engine, Rochester’s daytime population swells with out-of-town workers who do not live in the City or pay property taxes, putting an undue strain on the local government. Recent court rulings have also reduced local funding sources to available to Minnesota cities.

The current pandemic has further crippled Rochester. Regionwide, the area has experienced job losses and rising unemployment. Major employers like the Mayo Clinic and IBM furloughed employees or cut their hours due to COVID-19. As a result of this economic hardship and the resulting loss of tax revenue, Rochester’s 2021 budget was reduced by $97 million. This economic picture means that blighted areas will continue to decline without EPA support.

ii. Threats to Sensitive Populations
1. Health or Welfare of Sensitive Populations – Brownfields impact disadvantaged residents’ health and welfare in Census Tracts 1 (an Area of Persistent Poverty, as defined by the 2021 Consolidated Appropriations Act), 3, and 6 with significant minority populations (42.9%, 19.2%, and 33.1% respectively), low household median incomes ($24,155, $50,000, and 44,957, respectively), and high poverty (39.9%, 17.1%, and 14.9%, respectively). Considering prior uses, the City expects that targeted brownfields will be contaminated with arsenic, boron, cadmium, chromium, lead, radium, selenium, slag, asbestos, cleaning chemical residues, and petroleum/diesel/oil. EPA has designated some of these substances as priority pollutants, indicating they are carcinogenic, mutagenic, and teratogenic. The existence of these contaminants poses serious concerns to sensitive populations. Contaminated sites exacerbate the risk of cancer and non-cancer mortality for nearby low-income households, including the area’s high concentrations of pregnant
women and infants. Census Tract 1 is significantly older (nearly double the nationwide level) and Census Tract 3 has a high population under 5 years old. Women aged 15-50 years old in Census Tract 6 also give birth more than 3 times the national rate.

<table>
<thead>
<tr>
<th>Vulnerable Populations</th>
<th>Census Tract 1</th>
<th>Census Tract 3</th>
<th>Census Tract 6</th>
<th>Rochester</th>
<th>Minnesota</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children Under 5</td>
<td>0.0%</td>
<td>9.4%</td>
<td>6.1%</td>
<td>7.2%</td>
<td>6.3%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Seniors 65 and Over</td>
<td>28.6%</td>
<td>13.2%</td>
<td>24.4%</td>
<td>14.1%</td>
<td>15.4%</td>
<td>15.6%</td>
</tr>
<tr>
<td>Pregnant Women (per 1,000)</td>
<td>0</td>
<td>67</td>
<td>165</td>
<td>60</td>
<td>58</td>
<td>52</td>
</tr>
</tbody>
</table>

Contaminants of concern include:
- Lead (likely at two sites): Children’s brains and nervous systems are more sensitive to lead’s effects. Pregnant women are also vulnerable to lead exposure, which can result in miscarriage, reduced fetus growth, and premature birth.
- Arsenic (likely at Silver Lake Power Plant site): Evidence suggests that inhaled or ingested inorganic arsenic can injure pregnant women and their unborn babies.
- Petroleum (likely at all four sites): Toluene has been shown to cause spontaneous abortion among pregnant women. Xylene inhaled by women can reach developing fetuses and contaminate breast milk.

Brownfields also yield negative psychological impacts as vacant sites and dilapidated areas impact surrounding neighborhoods, resulting in blight and disinvestment, reduced property values and corresponding tax revenue, and higher crime.

Redevelopment in the DMC Downtown Waterfront Sub-District will benefit historically marginalized communities in Rochester, meeting the Justice40 Initiative’s definition of disadvantaged neighborhoods experiencing low incomes, persistent poverty, racial segregation, and substandard housing. Revitalization efforts are intentionally designed to prevent gentrification, overcome inequality, and improve quality of life. EPA funding will initiate the cleanup of these contaminants and reduce threats to the health and welfare of sensitive populations. Brownfields assessments of critical sites represent a first step in removing pollution and eliminating exposure pathways for Rochester’s most vulnerable residents.

2. Greater than Normal Incidence of Disease & Adverse Health Conditions – According to a 2019 Community Health Needs Assessment, the leading cause of death in Olmsted County is heart disease (22.9%), followed by cancer (21.5%). According to the Minnesota Department of Health, cancer prevalence was higher in Olmsted County (466.8 per 100,000 people) than statewide (458.2 per 100,000 people) between 2013 and 2017. Major local cancer types include:

<table>
<thead>
<tr>
<th>Cancer Type</th>
<th>Incidence Rate (per 100,000 people)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Olmsted County</td>
</tr>
<tr>
<td>Bladder</td>
<td>17.6</td>
</tr>
<tr>
<td>Breast</td>
<td>137.6</td>
</tr>
<tr>
<td>Colorectal</td>
<td>34.4</td>
</tr>
<tr>
<td>Lung and Bronchus</td>
<td>47.0</td>
</tr>
<tr>
<td>Melanoma</td>
<td>56.5</td>
</tr>
<tr>
<td>Non-Hodgkin’s lymphoma</td>
<td>23.2</td>
</tr>
<tr>
<td>Thyroid</td>
<td>15.8</td>
</tr>
</tbody>
</table>

Approximately 28% of the area’s population have clinically-diagnosed chronic conditions. These chronic conditions rose in Olmsted County between 2014 and 2017, including asthma (5.6% to 6.3%), arrhythmia (6.9% to 8.1%), coronary artery disease (4.1% to 4.3%), diabetes (11.1% to 13.0%), and hypertension (15.6% to 17.0%). According to HealthData.gov, life expectancy is much lower in Census Tracts 1 (65.6 years), 3 (74.2 years), and 6 (76.4 years) than Olmsted County (83.1 years).

“Downtown residents have a lower life expectancy than the region at-large,” states Olmsted County Public
Health Director Graham Briggs. “Research suggests this may be connected to adverse health effects which can be linked to the environment where people live, work, and play.”

Exposure to hazardous materials/petroleum is likely a contributor to poor health outcomes. A health monitoring program will be developed with the Olmsted County Health Department and Mayo Clinic to assess high incidence rates (especially with sensitive populations) and correlate the data to existing brownfields. Brownfields cleanup will help mitigate these risks.

3. Disproportionately Impacted Populations – Brownfields disproportionately impact minority and low-income residents in Rochester. According to the U.S. Census Bureau, the City has significant Black/African American (8.2%), Asian (7.3%), and Hispanic (5.9%) populations. Within Census Tracts 1, 3, and 6, these minority populations are greater – 9.1%, 9.5%, and 10.2% Black/African American, respectively; 7.9% Asian in Census Tract 1 and 9.2% Asian in Census Tract 3; and 20.6% Hispanic in Census Tract 1 and 9.7% Hispanic in Census Tract 3.

Census Tracts 1, 3, and 6 experience a higher poverty rates and significantly lower median household incomes than Rochester, Minnesota, and the United States. Education levels in Census Tracts 1 and 6 are lower than the State and national averages. Complete Streets and alternative transportation are important to downtown residents as many households do not own an automobile. Households in Census Tracts 1, 3, and 6 also strongly depend upon Food Stamp benefits.

<table>
<thead>
<tr>
<th></th>
<th>Census Tract 1</th>
<th>Census Tract 3</th>
<th>Census Tract 6</th>
<th>Rochester</th>
<th>Minnesota</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minority</td>
<td>42.9%</td>
<td>19.2%</td>
<td>33.1%</td>
<td>25.0%</td>
<td>20.2%</td>
<td>39.3%</td>
</tr>
<tr>
<td>Poverty Rate</td>
<td>39.9%</td>
<td>17.1%</td>
<td>14.9%</td>
<td>10.1%</td>
<td>9.7%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>10.2%</td>
<td>5.9%</td>
<td>3.7%</td>
<td>3.5%</td>
<td>3.6%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$24,155</td>
<td>$50,000</td>
<td>$44,957</td>
<td>$73,106</td>
<td>$71,306</td>
<td>$62,843</td>
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<td>No High School Degree</td>
<td>16.9%</td>
<td>11.2%</td>
<td>14.2%</td>
<td>6.0%</td>
<td>6.9%</td>
<td>12.0%</td>
</tr>
<tr>
<td>No Vehicle Available</td>
<td>49.2%</td>
<td>7.3%</td>
<td>13.9%</td>
<td>7.6%</td>
<td>6.7%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Food Stamps/SNAP Benefits</td>
<td>28.4%</td>
<td>21.0%</td>
<td>21.6%</td>
<td>8.3%</td>
<td>7.9%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

COVID-19 has created unprecedented economic turmoil in the Black, Indigenous, and People of Color (BIPOC) community. According to U.S. Department of Labor data, fewer Black and Hispanic people are working now than any other demographic as a proportion of their pre-pandemic employment levels. In Rochester, this BIPOC exodus from the labor market may deepen generational disparities. In 2021, Rochester was named one of 50 Global Mayor’s Challenge communities by Bloomberg Philanthropies for its efforts to connect BIPOC women to careers in construction and redevelopment.

Downtown brownfields cleanup will support environmental justice. Redevelopment will remove blight and increase community pride. Revitalization will also provide affordable housing options and create jobs for low-income residents. Rochester’s proposed project meet the goals of the Biden Administration’s Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, as well as the Justice40 Initiative.

b. Community Engagement

i. Project Involvement & ii. Project Roles – Partners have been chosen because their clients/constituents include Rochester’s target areas and sensitive populations. The missions of the following organizations align with redeveloping brownfields. The primary avenue for their meaningful involvement is participation on the project’s Steering Committee, which will guide site selection and community engagement.

<table>
<thead>
<tr>
<th>Partner Name/Contact</th>
<th>Project Roles &amp; Commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slattery Park Neighbors: Cathy Clermont,</td>
<td>Steering Committee. Supporting site prioritization &amp; community engagement. Outreach to residents.</td>
</tr>
</tbody>
</table>
iii. Incorporating Community Input – Rochester will build on the efforts of its effective DMC Development Plan outreach. Representatives from the Slattery Park Neighbors, RNeighbors, DMC Economic Development Agency, Rochester Area Chamber of Commerce, Rochester Downtown Alliance, and Mayo Clinic have already formed a project Steering Committee. Staff will meet regularly with these groups (initially and at least quarterly thereafter). Partners will also help engage residents and businesses.

A Community Engagement Team will develop public involvement strategies. This team will organize a series of meetings over the project period, including virtual sessions as needed. Local outreach activities will target residents of the Downtown and Slattery Park neighborhoods, particularly sensitive populations. The purpose of this engagement is to share information, collect feedback, and describe next steps. Input will also be gathered to shape reuse of assessed properties. Personnel from Olmsted County Public Health Services, Mayo Clinic, and Minnesota Pollution Control Agency will share information on the safety of remediated brownfields. Engagement activities will occur after work hours, be centrally located, and provide child-care to maximize participation. Comment cards will be provided at meetings to capture and document input.

Traditional mass media, including the community newspaper (Post Bulletin), local cable stations (KAAL, KTTC, and KXLT), and area radio stations, will be used to disseminate information. Project updates will be provided at regularly-scheduled City Council sessions. Web sites and social media will describe brownfields efforts and promote engagement opportunities. The survey tool Polco will be used to gather feedback. Rochester will also communicate through community newsletters. All written outreach materials will be available in English, Spanish, and Somali. Rochester has used this outreach process successfully with previous state brownfields grants.

III. TASK DESCRIPTIONS, COST ESTIMATES & MEASURING PROGRESS
a. Description of Tasks/Activities & Outputs
i. Project Implementation – EPA resources will enable Rochester to conduct 12 Phase I and 9 Phase II assessments, as well as robust reuse planning activities. Key residential and business leaders have formed a project Steering Committee. In addition, two project teams will be established to implement the project. A Community Engagement Team will carry out strategies to enhance resident involvement. A Technical Team will support the identification and assessment of brownfields.

Rochester will ensure timely implementation of key activities by:

- **Procuring Contractors**: Environmental/planning contractors will be hired to conduct assessments and develop cleanup/reuse plans. These services will be solicited through a Request for Proposals (RFP) process. Rochester will initiate a competitive qualifications-based selection process in compliance with state and federal (2 CFR 200.317-326) regulations.
- **Site Selection**: The City will develop a process with the Steering Committee to identify secondary sites, if needed. Appropriate properties will be identified with the following criteria: redevelopment potential;
protection of public health; possible interested buyer; community support; capacity to unleash further revitalization; ability to create jobs; likeliness to negotiate site access with owners; and potential to leverage state and federal resources for revitalization.

- **Site Access**: The project manager will finalize negotiations (already underway) with landowners to secure access. This permission will enable Rochester to access all property areas; conduct interviews, photographs, site sketches, and air monitoring; collect waste, soil, surface water, sediment, and groundwater samples; install groundwater monitoring wells, if necessary; and use equipment, including vehicles and drill rigs, to perform the above activities.

### ii. Anticipated Project Schedule

<table>
<thead>
<tr>
<th>Activity</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
<tr>
<td>Qualified Contractors RFP</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hire Qualified Contractors</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Meetings</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Negotiate Access</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Secondary Site Selection</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Phase I &amp; Phase II Activities</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Cleanup &amp; Reuse Planning</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

### iii. Task/Activity Lead

- **Cooperative Agreement Oversight**: A project manager will be responsible for assuring compliance with grant requirements. She will serve at no burden to project funds. Tasks include oversight and performance reporting. Travel expenses ($1,250 per person for airfare and hotel) have been set aside to attend EPA’s national brownfields conference and other regional brownfield events in order to learn best practices and identify ways to leverage EPA resources. *Cost estimate – $2,500*. **Lead** – Project management responsibilities will be conducted by Cindy Steinhauser, Rochester’s Deputy Director for Development Services and Infrastructure (25+ years of experience).

- **Community Engagement**: City staff will lead the Community Engagement team. Residents will be involved in determining secondary sites and reuse options. Rochester will connect with the community through quarterly meetings, newsletters, web sites, social media, and other outreach tools. The City will also partner with Olmsted County Public Health Services and Mayo Clinic to assess the impact of brownfields on public health. Rochester will use the Agency for Toxic Substances and Disease Registry (ATSDR) Brownfields/Land Revitalization Action Model to foster dialogue. City staff ($30/hour for 200 hours) and their contractors ($25,000) will manage the engagement process. *Cost estimate – $31,000*. **Lead** – Communications & Engagement Director Jenna Bowman will head engagement activities, with help from environmental and planning contractors.

- **Site Assessments**: Rochester will initiate and complete up to 12 Phase I assessments, estimated at $4,500 each. The City plans to conduct up to 9 Phase II assessments, estimated at $28,500 each, in the targeted areas. These activities will be conducted by qualified environmental professionals and preceded with approved Quality Assurance Project Plans (QAPP). *Cost estimate – $316,500*. **Lead** – Procured environmental contractors will ensure that all Phase I and Phase II activities meet ATSM standards and comply with the All Appropriate Inquiries Final Rule.

- **Cleanup/Reuse Planning**: Cleanup/reuse plans, at an estimated cost of $150,000, will be developed by qualified experts, with significant input from the community. Proposed activities include: a charrette to gather community input; development of an Analysis of Brownfields Cleanup Alternatives (ABCA) for sites to be remediated; planning and zoning accommodations for brownfields redevelopment in the rewrite of the City’s *Land Use Development Manual*; an infrastructure needs assessment to identify upgrades required to support growth; a land use plan that considers cleanup strategies for high priority brownfield
sites, green infrastructure, energy efficiency, and Complete Streets; and an implementation strategy with business recruitment approaches, identification of public and private revitalization resources, and a game plan for implementing the land use plan. Cost estimate – $150,000. Lead – A planning team familiar with market analysis, infrastructure needs, land use planning, and funding/financing option will be contracted.

### iv. Outputs

<table>
<thead>
<tr>
<th>Task</th>
<th>Outputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Management</td>
<td>Formalization of Steering Committee and teams; quarterly reports; closeout report; &amp; Assessment, Cleanup and Redevelopment Exchange System (ACRES) updates</td>
</tr>
<tr>
<td>Community Engagement</td>
<td>Community engagement plan; quarterly meetings with neighborhood groups; &amp; newsletters/fact sheets</td>
</tr>
<tr>
<td>Site Assessments</td>
<td>12 Phase I and 9 Phase II assessments; 1 generic QAPP; &amp; 9 site-specific QAPP addenda</td>
</tr>
<tr>
<td>Cleanup/Reuse Planning</td>
<td>1 community charrette; ABCAs for sites to be remediated; planning and zoning language for Land Use Development Manual; assessment of existing infrastructure assets and upgrades needed to support reuse; sustainable land use plan; &amp; detailed implementation strategy that includes brownfields cleanup priorities, business recruitment approaches, public and private resources that can support revitalization, and a game plan for implementing the land use plan</td>
</tr>
</tbody>
</table>

#### b. Cost Estimates – Rochester seeks $500,000 in EPA Assessment resources. The proposed budget, developed with input from qualified environmental experts, dedicates 63% of grant funds for assessments and 30% to planning.

<table>
<thead>
<tr>
<th>Budget Categories</th>
<th>Project Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Project Management</td>
</tr>
<tr>
<td>Personnel</td>
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</tr>
<tr>
<td>Fringe</td>
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</tr>
<tr>
<td>Travel</td>
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<tr>
<td>Equipment</td>
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<tr>
<td>Supplies</td>
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</tr>
<tr>
<td>Contractual</td>
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<tr>
<td>Other</td>
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</tr>
<tr>
<td>Indirect Costs</td>
<td>$0</td>
</tr>
<tr>
<td>TOTAL BUDGET</td>
<td>$2,500</td>
</tr>
</tbody>
</table>

#### c. Measuring Environmental Results – Rochester will track progress. An established work plan, to be approved by EPA, will help to guide outputs and outcomes. The project manager will evaluate progress based upon milestones identified in the work plan. Internal project management software will be used to help ensure that assessment and reuse planning activities are moving along, and that project outputs and outcomes are being achieved. This will provide safeguards that grant funds are expended in a timely and efficient manner. Data will be regularly entered into ACRES.

### IV. PROGRAMMATIC CAPABILITY & PAST PERFORMANCE

#### a. Programmatic Capability

**i. Organizational Structure** – Rochester has a track record of successfully managing community projects. The key to this effort is the development of a detailed work plan with clear milestones. This will be developed at an initial meeting, including participation by the City Administrator who serves as Rochester’s key liaison to the DMC initiative and the Deputy City Administrator who leads the local Development Services and Infrastructure teams. The meeting will identify goals, and responsibilities within the work plan will be well-
defined. Performance measures will be established to assess progress. To ensure that the project is on schedule, status updates will be incorporated into the City’s existing reporting structure. In addition, staff will meet regularly with key partners.

ii. **Description of Key Staff** – The City has the staff expertise to manage the project. Project management will be assigned to Cindy Steinhauser, Rochester’s Deputy Director for Development Services and Infrastructure. Cindy has extensive local government experience, serving as Assistant City Manager in Dubuque, Iowa and City Manager in Frankfort, Kentucky. She has managed state and federal funding. Cindy also served on a regional host committee for the EPA Brownfields Conference in Chicago. She will liaison with EPA Region 5 and be responsible for assuring compliance with the administrative and reporting requirements of the cooperative agreement, leading all community engagement activities, and hiring and managing contractors.

The City will use a team approach to ensure that work on the project is not dependent on a few key personnel. Two project teams will be established. A Community Engagement Team, led by Rochester’s Communications & Engagement Director Jenna Bowman, will implement strategies to enhance resident involvement. A second Technical Team will be formed to support the identification and assessment of brownfields properties within the targeted area.

Cindy will be supported by qualified interdepartmental staff, including Interim Community Development Director Josh Johnsen and Community Development Specialist Brent Svenby. Josh has over 10 years of property development-related experience, including the oversight of the Discovery Walk, Heart of the City, and Riverfront public infrastructure improvements. Brent has over 20 years of urban planning experience including working directly on redevelopment, economic and affordable housing projects.

iii. **Acquiring Additional Resources** – Rochester will hire qualified experts to support engagement activities, conduct assessments, and develop cleanup/reuse plans. These services will be solicited in compliance with EPA regulations. The Minnesota Pollution Control Agency will provide technical assistance and review cleanup plans. The City will work with prospective purchasers to enroll sites into Minnesota’s Voluntary Investigation and Cleanup Program. Rochester will work with the Olmsted County Public Health Services and Mayo Clinic to communicate the health risks associated with brownfields. Health professionals will provide technical assistance, identify sensitive populations, and ensure that cleanup reduces health risks. Rochester will also coordinate with EPA technical assistance provider Kansas State University.

b. **Past Performance & Accomplishments**

ii. **Has Not Received an EPA Brownfields Grant but Has Received Other Federal or Non-Federal Assistance Agreements**

1. **Purpose and Accomplishments** – Rochester has never received EPA Brownfields funding. However, the City has secured federal and state resources to support local revitalization, including:

   • In 2007, the City was awarded $8 million Minnesota Department of Employment and Economic Development (DEED) Public Infrastructure Grant, along with a $200,000 DEED Redevelopment Grant, to facilitate construction of the 112,000-square foot Minnesota Bio Business Center, which has created over 400 jobs in the community. The City was also reimbursed $1.1 million by the Minnesota Dry Cleaner Fund for the costs of remediation at the former dry cleaning site.

   • In 2014, the City received a $425,550 Minnesota DEED Contamination Cleanup Grant for brownfields remediation facilitating the construction of a 630-stall downtown parking ramp facility and abutting 230-room Hilton Hotel.

   • In 2017, the City received a $939,443 Minnesota DEED Contamination Cleanup Grant to clean up a site upon which a 156-unit multi-family residential housing project has been constructed.

2. **Compliance with Grant Requirements** – The City has a superb record of complying with state and federal grant requirements. Work plans were created for previous efforts. All obligations were met, including the filing of timely reports. Projects were completed on-budget and on-time.
Threshold Criteria
City of Rochester, Minnesota

1) APPLICANT ELIGIBILITY

The City of Rochester is a unit of local government, and a political subdivision under the laws of the State of Minnesota.

2) COMMUNITY INVOLVEMENT

Rochester recognizes the role of community engagement in project success and will build on the efforts of its effective DMC Development Plan outreach. Representatives from the Slattery Park Neighbors, RNeighbors, DMC Economic Development Agency, Rochester Area Chamber of Commerce, Rochester Downtown Alliance, and Mayo Clinic have already formed a project Steering Committee. Staff will meet regularly with these groups (initially and at least quarterly thereafter). Partners will also help engage residents and businesses.

A Community Engagement Team will develop public involvement strategies. This team will organize a series of meetings over the project period, including question and answer forums. Local outreach activities will target residents of the Downtown and Slattery Park neighborhoods, particularly sensitive populations. The purpose of this engagement is to share information, collect feedback, and describe next steps. Input will also be gathered to shape reuse of assessed properties. Personnel from Olmsted County Public Health Services, Mayo Clinic, and Minnesota Pollution Control Agency will share information with residents on the safety of remediated brownfields. Engagement activities will occur after work hours, be centrally located, and provide child care to maximize participation. Comment cards will be provided at meetings so that input can be captured and documented.

Traditional mass media, including the community newspaper (Post Bulletin), local cable stations (KAAL, KTTC and KXLT) and area radio stations, will be used to disseminate information. Project updates will be provided at regularly scheduled meetings, including City Council sessions. Web sites and social media will describe brownfields efforts and promote engagement opportunities. Rochester will also communicate through newsletters and other communication tools. All written outreach materials will be made available in English and Spanish. The proposed outreach approach is appropriate, as Rochester has used this process for previous state brownfields grants.

3) NAME CONTRACTORS AND SUBRECIPIENTS

Not applicable. Rochester has not procured any contractors or identified any subrecipients for EPA grant funds. The City will follow the federal fair and open competition requirements in 2 CFR Part 200 and 2 CFR Part 1500 when contracting with environmental and planning specialists.
4) EXPENDITURE OF EXISTING GRANT FUNDS

The City has not received previous EPA Brownfields funding.