



## DERELICT BUILDING GRANT PROGRAM

### What is the purpose of the program?

- To assist small communities and rural counties in improving the attractiveness and appearance of their jurisdictions by providing them financial assistance to address derelict buildings.
- The program is funded by the Department of Natural Resources' (DNR) Solid Waste Alternatives Program (SWAP). In accordance with the statutory requirement on how these funds are to be used, each project must have a landfill diversion component through the recycling and reuse of materials.

### Eligibility

- Applicants: any county or municipal government with a population of less than 5,000<sup>1</sup>.
- Project Eligibility: any commercial or public building that a local government has ownership of or intent to own. Projects may ask for funding to cover asbestos containing materials (ACM) for inspections of buildings not owned by the city at the time of application submittal.
- An applicant may partner with a local non-profit organization on a project.

### What is a derelict building?

- Has been abandoned by owner, or owner is recalcitrant, or the owner is not financially viable to bring the building into compliance with state and local building codes.
- Building is dilapidated, neglected, has become a nuisance, fallen into a state of disrepair or deterioration, or falling into ruins.

### Why are derelict buildings a problem?

- Impairs development.
- Blight on community.
- Harbor for vectors.
- Fire hazard.
- Attracts illegal dumping.
- Threat to public safety (falling debris, unstable interior, etc.).
- Threats to public health and the environment (asbestos, lead-based paint, hazardous materials, etc.).

### Besides being a public health risk, what is the concern about asbestos?

- Asbestos was so widely used in the 20<sup>th</sup> century that any building is likely to contain asbestos containing materials (ACM).
- If a building has collapsed or is unsafe to enter so that it is not possible to inspect for and remove ACM, then the entire structure must be handled as ACM.
- The presence of ACM significantly increases the cost of disposing of the structure and may limit the opportunities for reuse and recycling of deconstructed materials.

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<sup>1</sup> To determine whether a county is eligible, use unincorporated population based on the most recent census figures.



## **What proactive actions can be taken to minimize or eliminate potential costs associated with a derelict building?**

- It is important to identify potential derelict buildings prior to falling into a state of disrepair.
- Identify and exercise legal authorities to deal with a recalcitrant owner, or to gain access to the building, or to take ownership.
- The building is inspected for ACM and if confirmed, materials are removed.
- The building should also be assessed for other hazardous materials and, if found, removed.
- A report that contains many short-term and long-term recommendations including examples of local community approaches that prevent buildings from becoming abandoned and derelict: <http://www.iowadnr.gov/Environment/LandStewardship/WasteManagement/BusinessIndustry/ConstructionDemolition.aspx>.
- Mothballing is another option that allows a community to remediate the immediate hazards the building poses to the public and leave it in a secured state to be re-visited at a future date. For more information on this option: <http://www.nps.gov/history/hps/tps/briefs/brief31.htm>
- Water damage and deterioration of roofs can compromise a building's integrity. It is important to check roofs for potential damage and repair leaks as soon as possible.

## **Once the building is deemed to be free of ACM there are several options to consider.**

- Does renovation of the structure using waste minimization, reuse and recycling practices, including the use of salvaged or recycled content material, make sense from a financial and community development perspective? Will the building be restored into its former state or will it be renovated for an alternative use?
- If removal of the structure is the only feasible option, the building can be deconstructed.
- When weighing deconstruction options the Applicant should consider how the property can best be used.

## **What is deconstruction and what are the benefits versus traditional demolition?**

- Deconstruction is the selective dismantlement of a building for the purpose of maximizing reuse and recycling opportunities through source separation while minimizing disposal costs.
- If the building is accessible, it's a common practice to perform non-structural deconstruction first. This includes removing all windows, doors, floor boards, wood work and other fixtures. Many of these can be reused through salvage markets or other local renovation projects. If materials cannot be salvaged they may be recyclable. This also applies to renovation projects.
- After the non-structural deconstruction takes place, the actual structure can then be dismantled starting from the roof. Materials that may be reused or recycled include shingles, bricks, and dimensional stone, such as limestone, metals, and structural lumber.
- Because the largest expense in removing a structure is transportation and landfill disposal costs, the diversion of these materials to reuse and recycling markets has a financial as well as environmental benefit.
- Even in those cases where a building cannot be accessed to inspect for ACM, it is possible to achieve large cost savings by removing some or the entire brick and stone exterior. The brick and stone can be washed to remove any asbestos fibers and then be reused or used as clean fill material at the site.



### What types of assistance is available?

- Certified asbestos inspection: Certified asbestos inspectors will investigate derelict structures to determine the presence, prevalence and condition of asbestos.
- ACM removal: Certified asbestos removal contractors will properly remove, manage and dispose of ACM.
- Hazardous materials removal: Certified hazardous materials contractors will identify and remove hazardous materials for proper management and disposal.
- Phase I Environmental Site Assessment: Review of known environmental records and land use information about the site and vicinity.
- Phase II Environmental Site Assessment: Actual soil, groundwater, and structural materials' sampling to confirm or deny if contamination is present.
- DNR will maintain a list of qualified contractors who can perform the tasks outlined above.
- Building Renovation: Using waste minimization, reuse and recycling practices, including the use of salvaged or recycled content material, during the renovation process.
- Deconstruction: Dismantling of structures with the purpose of maximizing recycling and reuse of materials to minimize landfill disposal.

### What type of grant funding assistance is available<sup>2</sup>?

- 100% reimbursement for a certified ACM inspection.
- 100% reimbursement, not to exceed \$10,000, for abatement of ACM. A 50% cost share is required for those costs exceeding \$10,000.
- 100% reimbursement not to exceed \$1500 for a structural engineering analysis by an experience structural engineer or architectural historian to determine ability to renovate the building.
- 100% reimbursement not to exceed \$3,000 for conducting a Phase I Environmental Assessment. Applicant is responsible for all costs exceeding \$3,000.
- 50% reimbursement not to exceed \$2,500 for conducting a Phase II Environmental Assessment. Applicant is responsible for costs exceeding \$5,000. The need for this assessment is driven by the results of the Phase I Assessment and involves sampling of structure components, soil and groundwater to confirm or deny if contamination is present.
- **Building Renovation:** If the building is going to be renovated, 50% reimbursement not to exceed \$50,000 is available for offsetting costs related to restoring/removing materials for reuse, either at the site or offsite, or for recycling. The grant also compensates for the purchase and installation of reused or recycled materials that will be incorporated into the project.
- **Deconstruction:** If the building is going to be deconstructed, 50% reimbursement not to exceed \$50,000 is available for offsetting costs related to deconstruction. It is a goal of all deconstruction projects that 30% of the structure by weight be diverted from landfill disposal.

#### **Deconstruction Cost Share Incentive**

- For every additional 10% of landfill diversion by weight above 30% that is documented upon completion of the project, applicant cost share is reduced by 5% and the grant award amount will increase accordingly. The maximum grant award for deconstruction projects shall not exceed \$75,000.

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<sup>2</sup> Costs incurred prior to an executed agreement are not eligible for funding.



% Landfill Diversion by Weight	Applicant Cost Share
31% - 40%	45%
41% - 50%	40%
51% - 60%	35%
61% - 70%	30%
71% - 100%	25%

**When/How will funds be available?**

- DNR is partnering with Keep Iowa Beautiful in the application and review process.
- A team using the scoring criteria provided in the application will review each application. The review team is comprised of a representative from Keep Iowa Beautiful, the Iowa Society of Solid Waste Operators, the Iowa Recycling Association, the Iowa Department of Economic Authority, and the Department of Natural Resources.
- Funds will typically be available approximately 3 months following application submittal.
- Funds will be released on a **reimbursement basis** after a correctly completed Grant Expense Sheet and supporting documentation (i.e. invoice, receipt, purchase order) has been received by the Department.
- Project costs incurred prior to an executed agreement, after the ending date of the agreement's Time of Performance or costs not identified in the agreement budget, are ineligible for reimbursement.
- Awarded amounts may not equal funding requests.

**Ineligible costs**

Financial assistance shall not be provided or used for costs including, but not limited to, the following:

- Taxes
- Overhead expenses
- Indirect expenses
- Legal costs
- Contingency funds
- Proposal preparation
- Land acquisition
- Cost for which payment has or will be received under other financial assistance programs
- Costs incurred prior to an executed agreement
- Costs incurred after expiration of an executed agreement
- Costs not identified in the budget of an executed agreement or subsequent amended budget



## **Proposals**

### Contact Information

Questions regarding the Derelict Building Program in general or questions related to the preparation and delivery of proposals should be addressed to:

Scott Flagg  
Environmental Specialist  
Department of Natural Resources  
502 E. 9<sup>th</sup> Street  
Des Moines, Iowa 50319-0034  
Phone: 515-281-4876  
Email: [scott.flagg@dnr.iowa.gov](mailto:scott.flagg@dnr.iowa.gov)

### Deadline

Seven (7) hardcopy proposals (one for each program review member) must be submitted no later than 4:00 p.m. (local time) on February 1, 2013. Any proposal received after this deadline will be rejected. The cost of proposal preparation and delivery is the sole responsibility of the applicant.

### Submittal

Seven (7) signed hardcopy proposals including color photos and other applicable attachments should be submitted to the attention of:

Scott Flagg  
Environmental Specialist  
Department of Natural Resources  
502 E. 9<sup>th</sup> Street  
Des Moines, Iowa 50319-0034  
Phone: 515-281-4876

Applicants must provide one set of street level color photos of all building sides with each proposal.

## **Proposal Scoring Criteria**

Proposals will be reviewed, scored and ranked based on the completeness, clarity, and detail of the following:



## DERELICT BUILDING GRANT PROGRAM APPLICATION SCORING CRITERIA

### Project Narrative<sup>3</sup> (50 points)

Degree to which Applicant described:

- Landfill diversion through reuse, recycling or other non-landfill methods
- Materials targeted for reuse or recycling
- Markets identified for materials to be reused or recycled
- Disposal location for materials not reused or recycled
- Green building concepts including recycled content products to be used (**renovation projects only**)
- Primary building materials targeted for reuse and recycling (**deconstruction projects only**)
- Redevelopment plans for property once renovated or deconstructed/cleared  
(Preference given for redevelopment plans resulting in job creation and revenue generation)
- Relationship of project to longer range community development plans
- The current situation, the desired outcome, and the steps to achieve the desired outcome in a clear outline.

### End Use Markets (20 points)

Applicant identified end markets for reusable and recyclable materials that are:

- Strong, established and viable with letters of support or other evidence that materials will be accepted
- Strong, established and viable **without** letters of support or other evidence that materials will be accepted
- Weak, not well established or not clearly identified

### Budget Narrative and Details (20 points)

Degree to which Applicant described:

- Purpose/function of budget line items
- Cost share meets minimum required
- Source(s) of cost share clearly identified
- If cost share involves other programs, is the funding notification date(s) identified

### Quality of supporting materials (10 points)

Application must contain the following:

- Color photos of all sides of the derelict building
- Letter of support from prospective building tenant, owner or partners
- Letter of support/commitment from reuse and recycling outlets
- Project timetable
- Complete insurance form (Form F)

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<sup>3</sup> Reviewers are advised that projects that are requesting funds for asbestos inspections, abatement, phase I, or structural engineering analysis only and not conducting deconstruction or renovation activities for this project will remove any end use/reuse or recycling criteria from Project Narrative score as it is not applicable. Consequently the reviewers are also advised to remove the End Use Markets section from project review. Scores are to be adjusted accordingly.