

# Environment and Natural Resources Trust Fund 2020 Request for Proposals (RFP)

**Project Title:****ENRTF ID: 204-EH**

Recycling Construction and Building Materials via Habitat ReStores

**Category:** H. Proposals seeking \$200,000 or less in funding**Sub-Category:** E. Air Quality, Climate Change, and Renewable Energy**Total Project Budget:** \$ 98,000**Proposed Project Time Period for the Funding Requested:** June 30, 2026+ (6+ yrs)**Summary:**

Keep usable building materials out of landfills via Habitat for Humanity ReStores. Purchase two box trucks to increase donation pickup capacity and make opening a third metro ReStore possible.

**Name:** Pete OKeefe**Sponsoring Organization:** Twin Cities Habitat for Humanity, Inc.**Job Title:** ReStore Director**Department:****Address:** 1954 University Avenue West, www.tchabitat.org

St. Paul MN 55104

**Telephone Number:** (612) 203-7581**Email** pete.okeefe@tchabitat.org**Web Address:** https://restore.tchabitat.org/**Location:****Region:** Metro**County Name:** Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington**City / Township:****Alternate Text for Visual:**

Habitat ReStores accept items that would otherwise end up in landfills. Volunteers sort these items and sales help build energy-efficient homes for low-income families to purchase.

_____ Funding Priorities	_____ Multiple Benefits	_____ Outcomes	_____ Knowledge Base
_____ Extent of Impact	_____ Innovation	_____ Scientific/Tech Basis	_____ Urgency
_____ Capacity	_____ Readiness	_____ Leverage	_____ TOTAL _____%



## Environment and Natural Resources Trust Fund (ENRTF) 2020 Main Proposal Template

**PROJECT TITLE:** Recycling construction and building materials via Habitat ReStores

### I. PROJECT STATEMENT

Habitat for Humanity ReStores sell donated building materials to help fund the construction of energy efficient homes for low-income families. An LCCMR grant would be used to purchase two box trucks to pick-up more donations, thus keeping hundreds of tons of usable items like kitchen cabinets, furniture, appliances, lighting, and much more out of landfills each year. Increasing donation capacity will be key to opening a third ReStore location in the Twin Cities metro area, thus increasing the overall positive impact of ReStore for our natural resources by 50%.

ReStores specialize in Construction and Demolition (C & D) debris, which is notorious for being discarded when it still has usable value. The Minnesota Pollution Control Agency reported 80 percent of the 1.6 million tons of C & D waste was landfilled in 2013. Groundwater surveys show the majority of Minnesota landfills without liners that accept C & D have groundwater contamination above state and federal safety standards.

The current two metro ReStores in New Brighton and Minneapolis divert 2.87 million pounds of items from landfills each year. In addition, items that can't be sold are processed for recycling. Volunteers disassemble lighting and plumbing fixtures to extract metals that can be recycled.

All donations to ReStores are tax deductible. However, because of the larger size of many items, hauling in donations isn't always feasible for people. Demand for ReStore donation pickups has grown dramatically in recent years (2,835 in 2018 versus 2,195 in 2017). The trend is for 16% growth in 2019.

Currently, ReStores use two commercial trucks (one nearing the end of its lifecycle) to collect donated items from homes, businesses, and construction sites. Demand for donation pickups is outpacing capacity and more trucks are needed.

Graduate students from the University of Minnesota's Carlson School of Business analyzed ReStores' donation and sales data and made projections that show adding donation pickup capacity will be critical to the larger goal of opening a third ReStore in the Twin Cities in the coming years.

ReStore sales contribute to Twin Cities Habitat's broader goal of environmentally-friendly affordable housing. Conservation is built into every Habitat home in the form of extra insulation, a high-efficiency furnace, and stud walls assembled in a panel plant to minimize waste. Every new Habitat home is built to meet LEED standards and be ENERGY STAR certified. Twin Cities Habitat has built more ENERGY STAR certified homes than all other builders in the state combined.

### II. PROJECT ACTIVITIES AND OUTCOMES

**Activity 1 Title:** Purchase two box trucks to pick-up donated items for Habitat for Humanity ReStores

**Description:** The trucks would be similar to a 2018 Isuzu NPR-HD Gas Cab Chassis 150 with a MORGAN FASTRACK van body and Waltco Liftgate. The trucks would be used five days a week, driving an average of 80 miles per day to make 9 pickups. All drivers are properly licensed. The increased donation capacity is part of a larger strategy to open a



## Environment and Natural Resources Trust Fund (ENRTF) 2020 Main Proposal Template

third ReStore location in the Twin Cities so more energy-efficient homes can be built. Each donation truck in service keeps an estimated 700 tons of usable items out of local landfills annually. The trucks have an expected lifecycle of 10 years.

### ENRTF BUDGET: \$98,000

Outcome	Completion Date
1. Purchase two new commercial box trucks for ReStore donation pickups.	August 1, 2020
2. Divert 1,400 tons of usable building materials from Minnesota landfills each year.	2030 (end of the lifecycle for the trucks)
3. Disassemble unusable items in order to recycle metals.	ongoing
4. Fund construction of energy-efficient homes with proceeds from ReStore sales (approximately 3 homes per year per ReStore)	ongoing

### III. PROJECT PARTNERS AND COLLABORATORS:

Twin Cities Habitat leverages the support of 15,000 people who volunteer each year, 5,000 of them help out at ReStores to sort donation and disassemble unusable items for recycling of cardboard and metal. Atomic Recycling, Metro Metals, and Westrock are key partners in these efforts to protect and preserve the environment by reducing the amount of construction materials put into a landfill and keep groundwater clean.

Twin Cities Habitat staff involved with this project are: Pete O'Keefe, ReStore Director, who oversees all operations; Robin Henrichsen, Donations Manager, who coordinates donation activity and relationships; Larry Lane, Donation Coordinator, who oversees the donation pickups; Isaiah Filla and Al Delmege who are truck drivers.

### IV. LONG-TERM IMPLEMENTATION AND FUNDING:

Increasing capacity for donation pickups is critical to the goal of opening a third ReStore in the metro in the coming years. Purchasing trucks out of the operating revenue from ReStores would significantly delay the opening of a new location. The sooner a third ReStore can be opened, the more waste can be kept from landfills, more metal can be recycled, and more energy-efficient homes can be built.

### V. SEE ADDITIONAL PROPOSAL COMPONENTS:

- A. Proposal Budget Spreadsheet
- B. Visual Component or Map
- C. Parcel List Spreadsheet
- D. Acquisition, Easements, and Restoration Requirements
- E. Research Addendum (Not required at proposal submission stage. Required later in process, if proposal is recommended. Staff will provide further information at that time)
- F. Project Manager Qualifications and Organization Description
- G. Letter or Resolution
- H. Financial Capacity

**Attachment A: Project Budget Spreadsheet**  
**Environment and Natural Resources Trust Fund**  
**M.L. 2020 Budget Spreadsheet**

**Legal Citation:** Twin Cities Habitat for Humanity, Inc.

**Project Manager:** Pete O'Keefe

**Project Title:** Recycling construction and building materials via Habitat ReStores

**Organization:** Twin Cities Habitat for Humanity, Inc.

**Project Budget:** \$98,000

**Project Length and Completion Date:** Buy trucks August 2020, operate them through 2030

**Today's Date:** April 11, 2019



ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET		Budget	Amount Spent	Balance
<b>BUDGET ITEM</b>				
Personnel (Wages and Benefits)		\$ -	\$ -	\$ -
Professional/Technical/Service Contracts				
		\$ -	\$ -	\$ -
Equipment/Tools/Supplies				
		\$ -	\$ -	\$ -
Capital Expenditures Over \$5,000				
2 Commercial Box Trucks Similar to Isuzu NPR-HD Gas Cab Chassis		\$ 98,000	\$ -	\$ 98,000
Fee Title Acquisition				
		\$ -	\$ -	\$ -
Easement Acquisition				
		\$ -	\$ -	\$ -
Professional Services for Acquisition				
		\$ -	\$ -	\$ -
Printing				
		\$ -	\$ -	\$ -
Travel expenses in Minnesota				
		\$ -	\$ -	\$ -
Other				
		\$ -	\$ -	\$ -
<b>COLUMN TOTAL</b>		\$ 98,000	\$ -	\$ 98,000
<b>SOURCE AND USE OF OTHER FUNDS CONTRIBUTED TO THE PROJECT</b>				
	<b>Status (secured or pending)</b>	<b>Budget</b>	<b>Spent</b>	<b>Balance</b>
<b>Non-State:</b>		\$ -	\$ -	\$ -
Personnel (salary and benefits) expenses for two truck drivers for 10 years	Budgeted for	\$ 823,000		
Maintenance costs for 10 years	Budgeted for	\$ 60,000		
Fuel costs for 10 years	Budgeted for	\$ 68,000		
		\$ 662,000		
Personnel (salary and benefits) expenses for donation manager for 10 years	Budgeted for			
		\$ 427,000		
Personnel (salary and benefits) expenses for donation coordinator for 10 years	Budgeted for			
<b>State:</b>		\$ -	\$ -	\$ -
<b>In kind:</b>		\$ -	\$ -	\$ -
Equivalent of 4 full-time volunteers handling donations and recycling		\$2,000,000		
<b>Other ENRTF APPROPRIATIONS AWARDED IN THE LAST SIX YEARS</b>				
	<b>Amount legally obligated but not yet spent</b>	<b>Budget</b>	<b>Spent</b>	<b>Balance</b>
		\$ -	\$ -	\$ -



Twin Cities  
**Habitat**  
for Humanity®

**ReStore**  
Home Improvement Outlet

Stuff kept out of  
landfills

Existing Donation  
Trucks

Reselling / Recycling

Appliances

Furniture

Kitchen cabinets

Building  
materials

Plumbing

Lighting

Flooring

Paint

Doors

Windows

HVAC

Electrical

Hardware

Tools



New trucks purchased  
with grant



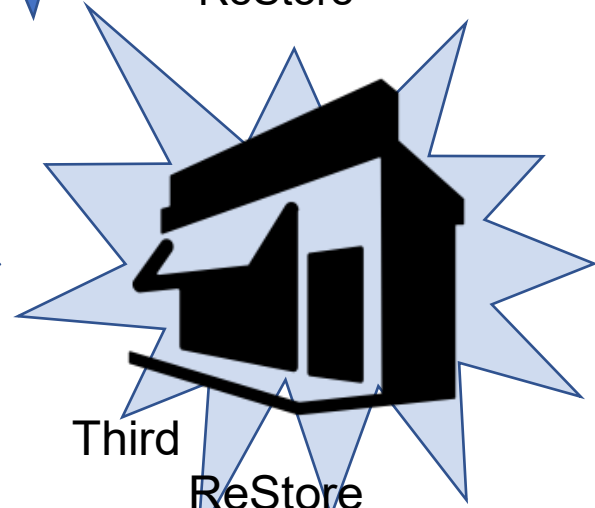
Each truck hauls 350 tons  
annually



Minneapolis  
ReStore



New Brighton  
ReStore



Third  
ReStore  
Location TBD

Each ReStore helps fund  
~3 energy efficient homes  
a year for low-income  
families

### **Project Manager Qualifications:**

Pete O'Keefe, ReStore Senior Operations Manager, will act as the Project Manager.

Pete holds a Bachelor of Science degree in Retail Merchandising from the University of Minnesota, Twin Cities. Pete began employment with Twin Cities Habitat for Humanity in 2013. At that time the affiliate was considering closing the single retail store in New Brighton, which had struggled to financially break even over a five year period.

With a strategic shift and focus on repetitive business donations for acquiring excess building materials, the single store social enterprise quickly shifted to profitable. Expansion included addition of a second store in South Minneapolis in September 2016, with sales and customer traffic exceeding expectations.

The ReStore has maintained 20% or greater year over year growth since 2013. Marketing efforts to contractors and building trades have worked well. Automating donation pickup requests via a web portal allowed for smooth growth and much higher volumes.

In 2017, O'Keefe and the ReStore Team received the Social Responsibility Award from the Minnesota Retailer's Association.

O'Keefe's past employment that relates strongly to the ReStore's mission of reuse and recycling of building materials include:

#### **Xcel Energy – Asset Recovery Department**

Sale of non-ferrous metals, construction materials and transformers within 8 state territory

#### **Target Corporation - Environmental Department**

Sale or redeployment of excess construction materials and company assets nationwide

#### **University of Minnesota, Twin Cities – Waste and Recycling Department**

Managed ReUse Program Warehouse, quickly turning the operation into a revenue generator

### **Organization Description:**

Twin Cities Habitat is one of the most successful and innovative Habitat affiliates in the country. Since 1985, we've brought together families, volunteers, and financial donors in our broad mission: eliminate poverty housing from the Twin Cities and make safe, decent, shelter for all people a matter of conscience. Each year, more than 15,000 people volunteer locally.

More than 1,300 low-income families have partnered with us to buy homes and we've completed more than 2,000 critical home repair projects for low-income homeowners. We operate two ReStores (New Brighton and Minneapolis) that sell donated building materials to help fund our mission and keep waste out of Minnesota landfills. We are the #1 builder of ENERGY STAR rated homes in the state (with more than all other builders combined). We advocate for smart investments in housing at the local, state, and national levels and work to reduce Minnesota's racial gaps in homeownership.

In 2017, we formed the largest banking partnership in Habitat history with Bremer Bank (\$98M to finance 500 affordable mortgages). Our goal is to multiply the number of low-income families we can help achieve affordable homeownership and build a financing model other Habitat affiliates can use to the same.