

# THE RANGER

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## The little city that could

### Ely community pulling together to reinvigorate business district

ELY – As a fresh coating of snowflakes fell softly on downtown Ely, the symbolism became clear.

Millions of dollars invested by a father and son who see a bright future in this small city, are helping transform Ely’s business district from a patchwork of vacant, aging buildings into a fresh landscape.

John and Tanner Ott operate Alley A Realty, a commercial real estate development company in Columbia, Missouri.

It’s the “Show-Me” state. For years, John Ott drove through Ely to visit the Ojibway Lake cabin of family friends.

In 2004, John Ott and his wife Vicki bought their own cabin on the same lake and began to show their love for Ely.

One-by-one, the Ott’s began acquiring and restoring some of Ely’s most historical buildings.

“We saw an opportunity here because there were buildings priced at a point where we could put a significant amount of investment in them,” said Tanner Ott. “And Ely stands out because there are also many entrepreneurs here, it has charm, and it is walkable.”

### Building buy building

To date, ten buildings in downtown Ely – some which were close to the wrecking ball – are coming to life.

First was the former Kovall Meat & Grocery building.

That’s become Insula restaurant, a popular dining spot which features local products.

Second was the former Fisherman’s Headquarters.

That became Ely Folk School.

In mid-December, Northern Grounds, a coffee shop offering on-site roasted coffee, fine wines and baked goods, opened in the former Ely VFW.

“It’s probably one of the biggest grand openings there’s been in Ely,” said Ott. “And the cool thing about it is that the young couple who operate it grew up in Ely and decided to come back and go into business. It’s just great to have that youthful energy in town.”

And the Ott’s aren’t done yet.

Under renovation, at the top of the hill on Sheridan Street, is the historic State Theater and the adjacent former Salerno real estate office.

Outside, the buildings are already transformed.

The State Theater marquee



The former Salerno building and State Theater are among 10 buildings being renovated in downtown Ely by Tanner Ott and his father.

is refurbished and lit up – calling attention in large letters to a white Christmas or a salute to veterans.

Massive new windows and doors adorn the Salerno building.

Inside, new heating systems,

buildings, renovate, and then lease the spaces to tenants.

“People who want to start a business don’t always have the capital to fix up a building and also start the business,” said Ott.

ships.

Incredible Ely, a non-profit, is working with the city to develop downtown and provide entrepreneurs with the tools needed to succeed.

“Your downtown is your picture to the world as to how prosperous or non-prosperous you are,” said Kelly Klun, a 2001 Ely High School graduate who’s now a lawyer in town and Incredible Ely program manager. “When I graduated and left, I didn’t think of Ely as struggling, but when I came back in 2009 we had something like 16 vacant buildings downtown and I thought ‘Oh,

it never has in the past,” said Klun. “It’s (Ely) certainly on the upswing.”

Ely is also one of six Iron Range communities selected to participate in a Blandin Broadband Communities program.

Co-funded by IRRRB, the program provides planning and seeking technical and financial support to advance local broadband initiatives.

“We’re a city in motion,” said Mayor Chuck Novak.

“We’ve got a full plate right now and have a lot of positive attitudes within the community.”

### Down the road at end of the road

Ott, Novak and Klun all see a bright future for Ely.

Renovation of the former Tanner Hospital, dubbed “the castle,” is ahead.

“I’ve heard a lot of ideas for the old hospital, like having a craft brewery there,” said Ott. “It would be pretty neat in Ely if there was a place where people could can or bottle beer. I’ve told people ‘would you like to be the 50th craft brewery in the Twin Cities or the first one on the Iron Range’?”

Like many Iron Range communities, Ely is looking to attract more young people, families and create a vibrant downtown.

Developing businesses like Northern Grounds where young people can socialize is a key in redeveloping downtowns, says Ott.

“It has to do with the social scene,” said Ott. “To attract young people to your city, you need to be able to have places where they can meet and hang out with other young people. And the more varied you can be with those, the more likely it is that someone will come here and say ‘this is a place where I want to stay’.”

Novak says he’ll do everything in his power to help drive economic development, including having conversations with Gov. Mark Dayton about Ely’s needs.

“We’re going to grab the bull by the horns and move forward,” said Novak.

To keep Ely moving forward in 2017, another small business conference is being planned for fall as downtown revitalization efforts advance, said Klun.

“It’s nice to see things coming together,” said Klun. “If the Ott’s can get a couple more renters in their buildings and make the State Theater pop, it’s going to be a huge deal for downtown.”



A relighting celebration of the State Theater marquee in July attracted hundreds of Ely area citizens. Northern Grounds, a coffee shop and wine bar, has opened in the renovated former VFW club.



walls, ceilings and floors are being installed by local labor.

The adjoining structures will feature a renovated 300-seat State Theater, a second 75-seat theater, a café, restaurant, and theater concession operations.

“It’s not only a movie theater, but an opportunity for small concerts, to host radio shows and for weddings,” said Ott. “It’s a historic asset to the people of Ely and a community asset.”

Iron Range Resources & Rehabilitation Board (IRRRB) provided assistance with three of the projects through its Business Energy Retrofit Grant Program. The program provides grants to businesses within the IRRRB service area for energy efficiency improvements.

Redeveloping properties to create a vibrant community is the Ott’s mission. Their business model is to buy historic

“The risk we are taking is putting the capital in the building and then finding people who want to be a tenant.”

Ely, says Tanner Ott, perfectly fits the mission.

“Ely has a lot of assets for young families,” said Ott. “One of the things my dad talks about a lot is that Ely has a strong school that’s right in the center of the city and every year the school wins awards for academics. And we also have a great hospital in our community. Ely has that small town charm in it that you can’t find in big cities or suburbs.”

### The Incredible Ely

Revitalization efforts are underway throughout the city through a variety of partner-

goodness, something needs to be done’.”

The city, together with Incredible Ely, has stepped up economic development efforts by revitalizing downtown, holding small business forums and pushing for better broadband.

The city and Incredible Ely are one of nine applicants to IRRRB’s Downtown and Business Corridor grant program, a new pilot program aimed at helping reinvigorate downtowns throughout the IRRRB service area.

Information kiosks, bicycle racks, new benches, and flower planters are underway or planned within the business district.

“The city has really focused on economic development like

## Looking ahead to a brighter future

Best wishes to you and yours for a happy and healthy New Year!

Without question the past couple of years have been extremely challenging for northeastern Minnesotans due to a downturn in the iron mining industry.

But we’re confident a brighter future is ahead.

The iron mining industry is stabilizing. Small and medium size businesses are investing in our region and growing.

And thanks to ideas gener-

ated at four Recharge the Range forums, a number of initiatives to revitalize our communities, business, tourism and education resources, are underway.

Our thanks to those communities and community members who are actively participating in action groups to help Recharge the Range.

As we move into 2017, we’re optimistic about our region’s future.

At IRRRB, we’ve invested in programs to help revitalize downtowns, expand broadband

development and use, boost culture & tourism, and bring new jobs to the region.

We’re hopeful that new large industries will invest in northeastern Minnesota. We’re committed to serving small businesses, communities and our educational institutions.

And we’re confident that northeastern Minnesota will become an even better place to live, work, recreate and raise a family.

Thank you for your determination, positivity and care for northeastern Minnesota.



Mark Phillips  
IRRRB commissioner