



Commercial Redevelopment Grant Program Report

Purpose	Assist with the internal and external demolition, or removal of dilapidated commercial structures, blight and brownfields to pave the way for new development.
Strategic Plan Alignment	Business Development ✓ Community Development ✓ Workforce Development ✓

What did we do?	FY18	FY19
Budget	\$800,000	\$800,000
# of Projects	19	15
# Communities	13	9
Agency Investment	\$786,256	\$800,000
Total Project Investment	\$53,155,233	\$48,957,260
Leverage	66.6 : 1	60.2 : 1
Key impact measures	FY18	FY19
New Developments	6	12
Developable Sites	6	2
Hazardous Structures Removed	5	1
New Housing Developments	2	0

What were the results?
<p>FY19: Commercial redevelopment enables the re-use of industrial or commercial sites in northeastern Minnesota. <i>External</i> demolition of abandoned commercial buildings minimizes the effect that vacant properties can have on a community such as blight, decreasing property values, crime and arson. Post-demolition, the properties can be marketed for new development. Examples of projects included:</p> <ul style="list-style-type: none"> • Demolition and reconstruction of former customer care building for new child care center: Eveleth. • Demolition of two former downtown commercial buildings for new lodging, restaurant and retail: Crosby. • Demolition and removal of former Herberger’s retail store for new Hobby Lobby: Virginia. <p>FY18: The program began to receive requests for internal demolition of occupied and vacant buildings that are then utilized by a new or existing business. Property reuse creates economic revitalization and community stability. Beginning in FY19, the agency will actively assist cities in attracting new development to the highly visible sites located along main thoroughfares. Examples of projects included:</p> <ul style="list-style-type: none"> • Bowling lanes to indoor gymnastics center: Virginia. • Outdated shopping mall to modern retail center with national franchises: Virginia.

What were the results?

- Elastomer-lined pipe manufacturing facility expansion to produce longer length pipes to meet bitumen mining industry market demands: Hibbing.

Fiscal Year 2019 Awards

Grantee	Description	New Development	Agency Investment	Total Project Investment
Biwabik Township	Demolish of old town hall	✓	\$30,000	\$862,500
Crosby	Demolish of commercial buildings for new retail development	✓	\$35,772	\$581,712
Crosby	Demolish commercial building for new lodging/restaurant building	✓	\$44,565	\$1,380,000
Eveleth	Demolition and reconstruction of former Fingerhut building for new child care center	✓	\$30,480	\$1,175,661
Grand Rapids	Demolish commercial building	✓	\$15,900	\$5,357,450
Grand Rapids	Redevelopment of former Sawmill Inn site	✓	\$17,200	\$13,807,000
Hibbing	Demolish commercial building for L&M Radiator expansion	✓	\$53,000	\$17,675,947
Ironton	Internal demolition of former Wells Fargo building	✓	\$33,850	\$622,000
Nashwauk Township	Gas tank removal and demolition at K-M Cornerstore		\$12,162	\$151,960
Nashwauk	Demolish three buildings for multi-purpose store		\$54,000	\$2,350,000
Virginia	Redevelopment of commercial building	✓	\$18,800	\$500,000
Virginia	Redevelopment of commercial building	✓	\$30,300	\$977,030
Virginia	Demolition and removal of former Herbergers store for new facility	✓	\$350,000	\$2,800,000
Virginia	Demolish former Century Motor Fright building for new facility		\$48,756	\$416,000
Virginia	Remediation of substandard and contaminated soils on vacant lot for new Pan O Gold distribution center	✓	\$25,215	\$300,000

Fiscal Year 2018 Awards

Grantee	Description	New Development	Agency Investment	Total Project Investment
Aitkin County	Demolish Garn wood boiler units	No	\$7,000	\$17,035

Fiscal Year 2018 Awards				
Aitkin	Demolish airport hangar building	No	\$4,675	\$6,975
Babbitt	Demolish and dispose of arena boilers	No	\$15,919	\$117,919
Biwabik	Demolish Alden's restaurant	No	\$4,666	\$13,750
Biwabik	Demolish R-Bar building	No	\$16,935	\$28,690
Cook County/Grand Marais EDA	Demolish trailer homes	Yes	\$49,500	\$504,775
Grand Rapids	Demolish two commercial buildings	Yes	\$23,824	\$1,029,300
Grand Rapids	Demolish and dispose of former Sawmill Inn	Yes	\$82,800	\$13,807,000
Hibbing	Clean up soil contamination	No	\$30,040	\$45,060
Hibbing	Demolish cold storage warehouse for L&M Radiator expansion	Yes	\$24,500	\$17,622,947
Hibbing	Demolish Suburban Bowling Lanes	Potential	\$36,733	\$54,900
Hibbing	Internal and external demolition of commercial buildings	No	\$92,950	\$4,882,050
Keewatin	Demolish two commercial buildings	No	\$21,608	\$3,756,750
Kinney	Demolish old city hall building	No	\$5,000	\$39,763
Mountain Iron	Internal demolition of Heliene building	No	\$77,000	\$8,800,000
Nashwauk	Demolish Grover building	No	\$58,112	\$95,345
St. Louis County	Demolish old Eveleth Days Inn	Potential	\$100,000	\$283,000
Tower	Demolish dock at Standing Bear Marina	Yes	\$89,994	\$1,072,944
Virginia	Internal and external demolition of Hometown Focus building	Yes	\$45,000	\$977,030