WHO WE ARE

The Department of Iron Range Resources & Rehabilitation is a State of Minnesota economic development agency that reinvests local taconite production taxes back into northeastern Minnesota businesses and communities in order to strengthen and diversify the economy.

We invest resources to foster vibrant growth and economic prosperity in northeastern Minnesota.

- Enhance livable communities.
- Maximize collaborations and partnerships.
- Strengthen businesses and worker education.

Our agency provides vital funding, including low or no interest loans, and loan guaranties to businesses relocating or expanding in the region. A variety of grants are available to local and tribal units of government, educational institutions and nonprofits that promote livable communities and workforce development.
A 13,000 square-mile area of northeastern Minnesota defined legislatively by school district borders defines the Iron Range Resources & Rehabilitation service area. The service area includes 53 cities, 134 townships, portions of four tribal nations, and 14 school districts. Visit www.mn.gov/irrrb/about-us/who-we-serve/ for a more detailed map of our service area.
The Iron Range Resources & Rehabilitation Tribal Liaison works to support government-to-government relations between the agency and the four Native American tribal nations located within the service area:

- Bois Forte Band of Chippewa.
- Leech Lake Band of Ojibwe.
- Portions of Fond du Lac Band of Lake Superior Chippewa.
- Portions of Grand Portage Band of Lake Superior Chippewa.

The four tribes are separate sovereign nations, and each has an independent relationship with the United States and the State of Minnesota. The Tribal Liaison fosters partnerships related to projects that impact community, business and workforce development.

Tribal Relations Guiding Principles:

- Respect for tribal sovereignty.
- Respect for self-determination.
- Respect for treaties.
- Informed decision making for projects of mutual interest.
- Beneficial outcomes for all parties.
- Information sharing between agency, regional and state decision makers and the four tribal governments.
- Identify needs of tribal nations that could be met through agency grants and loans.

“Our agency and the four tribal nations are strengthening our inter-governmental relationships to maximize economic development in northeastern Minnesota. Together we can accomplish economic and quality of life projects that positively impact the Native American people living and working in our service area.” - Commissioner Mark Phillips, Iron Range Resources & Rehabilitation
Iron Range Resources & Rehabilitation is funded by a portion of a local taconite production tax paid by mining companies on each ton of iron ore pellets produced. The tax is paid in lieu of property taxes by mining companies located within the agency’s service area.

The agency utilizes a portion of the tax funds as an economic development tool to invest in growing businesses that create and retain jobs, prepare communities for change and growth, invest in an educated workforce and improve the quality of life in northeastern Minnesota.
Iron Range Resources & Rehabilitation promotes and invests in community development through a selection of grants that strengthen northeastern Minnesota.

Our community development team works in partnership with cities, townships, counties, tribal units of government and nonprofits to support projects that advance community vitality and growth.

Eligible applicants in our service area are encouraged to apply for grants. Applicants can access the grant guidelines and the grant management system (FLUXX) on our website.

Grant programs include:
- Application Fund.
- Broadband Infrastructure.
- Business Energy Retrofit.
- Commercial Redevelopment.
- Community Infrastructure.
- Culture & Tourism.
- Development Infrastructure.
- Development Partnership.
- Downtown Building Rehabilitation.
- Downtown Streetscapes.
- EDA Partnership.
- Mineland Reclamation.
- Regional Trails.
- Residential Redevelopment.
- Workforce Development.
The city of Silver Bay used an Application Fund grant to hire a professional grant writer who successfully secured a $341,800 grant from the Minnesota Department of Natural Resources State Park Road Account to make improvements to East Lakeview Drive. It is a gravel access road to Black Beach Park and Campground which draws thousands of visitors each year. The road has become heavily utilized due to increased tourism, and Silver Bay businesses have benefited from the added traffic. The road improvement project will add parking, bike lanes, safer pedestrian crossings, and control dust in the area for the campground.

This grant assists communities with the costs of preparing and applying for a grant that can produce innovative economic growth. This grant helps pay for experienced grant writers who can identify funding sources and navigate the application process to secure state, federal, philanthropic foundation, trust and corporate funding.

**Examples of projects:** Commercial and residential building rehabilitation, historic landmark preservation, wastewater treatment facility upgrades.

**Eligible applicants:** Nonprofits, cities, townships and tribal units of government located within the agency’s service area. Multi-organization collaboration is encouraged.

**Required match per project:** 1:1.

**FY22 funding:** $30,000. Grant amounts vary and range up to $3,000.

**Evaluation criteria:**
- Job creation or retention.
- Complexity of the grant application.
- Copy of the grant application(s) and guidelines.
- Alignment with strategic or comprehensive plan.
- Qualification of the grant writer.
- Grant funding has not been received in the last two fiscal years.
- Diversity, equity and inclusion.
The Bois Forte Tribal Government used a Community Infrastructure grant to construct a fiber to the home buildout for its band members in the Bois Forte Reservation. The advancement in broadband will allow band members to telework, children to access online learning, health care clinics to provide virtual medicine, and home-based businesses to compete and grow. Now more than ever, robust broadband is essential in northeastern Minnesota’s communities and tribal nations.

This grant assists communities with projects that support households and businesses reaching the State of Minnesota Broadband Speed Goal.

Examples of projects: Constructing fiber to the home buildout to unserved households.

Eligible applicants: Cities, townships, nonprofits and tribal units of government within the agency’s service area. Multi-organization collaboration is encouraged.

Required match per project: 1:1.

FY22 funding: $2,000,000. Grant amounts vary.

Evaluation criteria:
- Job creation or retention.
- Anticipated broadband service improvements.
- Leverage and partnerships.
- Regional and community benefit.
- Diversity, equity and inclusion.
Deerwood Technologies owner Jim Mayne utilized a BER grant to help renovate the office of his IT cybersecurity business in downtown Deerwood. The grant assisted with energy efficiency improvements to the entry doors, windows, interior lighting, insulation and HVAC system. Mayne made the needed improvements to create a more energy efficient and attractive work space for employees. The investment resulted in reduced utility expenses and electricity rebates. Mayne founded Deerwood Technologies in 2005 and purchased the downtown building in 2011 after renting space there for several years. The company provides IT cybersecurity, cloud and infrastructure services to commercial businesses, government agencies and schools. Its clients are concentrated in the Midwest. Mayne is a United States Navy veteran, and Deerwood Technologies is a Service Disabled Veteran Owned Small Business.

This grant assists business owners with energy efficiency improvements to their buildings that can result in reduced utility bills, improved building aesthetics and increased building life. BER enhances the overall image of the region’s communities/downtowns and improves northeastern Minnesota’s environment. Funded by the agency and administered through Arrowhead Economic Opportunity Agency (AEOA).

**Examples of projects:** New roof, insulation, windows, air conditioning systems, on-demand hot water heaters, interior LED lighting, new plumbing fixtures, renewable energy.

**Eligible applicants:** Small business owners with 100 employees or less and located within the agency’s service area.

**Required match per project:** A business may be provided up to $20,000 in eligible retrofit expenses or 1/3 of the total project up to $60,000. A $500 application fee is required to participate in the program.

**FY22 funding:** $1,250,000. Grant amounts vary.

**Evaluation criteria:**
- Location within a community that has been previously underserved by BER.
- Prior BER grant funding.
- Location within a downtown corridor.
- Leveraging of other local, state or federal funding sources such as DEED SCDP, USDA or PACE.
- Project readiness: (1) ready to begin within 30 days, (2) completed construction bids with prevailing wage compliancy.
The city of Eveleth used a Commercial Redevelopment grant to support the renovation of the former Wells Fargo building which was developed by Miners National Bank into a 2,900-square-foot multi-tenant retail and professional space. The newly remodeled Grant-Pierce Plaza is home to Coffee on Main, Sarah’s Salon & Spa, Miners Mortgage Center, New York Life Insurance and Annuity and a state-of-the-art office and conference room that is available for public rental. Miners National Bank purchased the vacant main street building in 2018 when Wells Fargo ceased operations there. The independent family-owned community bank owns and operates the coffee shop, mortgage center and conference space. The salon and New York Life office are owned by private business owners in the Eveleth community.

This grant assists with the internal and external demolition of commercial and industrial buildings and clean-up of brownfields to pave the way for new development. Commercial redevelopment enables the reuse of industrial and commercial sites. It minimizes the effect that vacant properties can have on a community such as blight, decreasing property values, crime and arson.

Examples of projects: Demolition and reconstruction of former commercial building for new child care center, internal demolition of a former retail store for a new national retailer, demolition of a vacant hotel for a new hotel and commercial lease space.

Eligible applicants: Cities, townships, counties and tribal units of government within the agency’s service area. Multi-organization collaboration is encouraged.

Required match per project: 1:1.

FY22 funding: $1,000,000. Grant amounts vary.

Evaluation criteria:
- Job creation or retention.
- Development.
- Economic impact.
- Project readiness and timeliness.
- Removes blight.
- Grant funding has not been received in the last two fiscal years.
- Diversity, equity and inclusion.
The city of Virginia used a Community Infrastructure grant to reconstruct the roadway and infrastructure along the entrance points to the Midway area. The water and sewer mains and storm sewer were replaced, and improvements were made to the intersections and accesses to Highway 53 that helped alleviate traffic congestion. Realignment of Highway 53 began several years ago and included construction of the Tom Rukavina Memorial Bridge and relocation of the access to city of Virginia’s downtown area due to mining activities. Midway Drive and its infrastructure were deteriorating and in need of repairs. The Midway area has approximately 1,000 residents, several businesses and a commercial development parcel. Midway is adjacent to the future site of the Rock Ridge Career Academy that is under construction and scheduled for completion in 2023.

This grant assists communities with infrastructure projects that support residential and public facility development. This grant funds modern, efficient and reliable infrastructure such as sewer, water, electric, roadways, runways and communications.

**Examples of projects:** Replacement and upgrade of water, sewer and storm water systems, reconditioning a municipal water storage tank, replacement of sanitary sewer collection system.

**Eligible applicants:** Cities, townships, tribal units of government and nonprofit fire departments located with the agency’s service area. Multi-organization collaboration is encouraged.

**Required match per project:** 1:1.

**FY22 funding:** $8,500,000 (includes development and community infrastructure grants). Grant amounts vary.

**Evaluation criteria:**
- Job creation or retention.
- Community impact.
- Leverage.
- Project readiness and timeliness.
- Community resourcefulness.
- Diversity, equity and inclusion.
MacRostie Art Center used a Culture & Tourism grant to update flooring, lighting and fixtures of its Art Shop. The renovated gallery space features the work of local and regional artists and is a prominent retail storefront that attracts tourists and visitors. Art is central to the quality of life and economy in northeastern Minnesota. Arts and culture organizations in our region generate about $12 million annually in economic impacts. Grand Rapids is growing as an active art hub in the region, and the transformation of the Art Shop adds to that growth.

This grant assists projects that support arts, culture, history and recreational activities that enhance the quality of life in the region and attract visitors.

**Examples of projects:** Capital improvements, historic preservations, community arts and culture, tourism and recreational activities, marketing and promotion to new audiences.

**Eligible applicants:** Cities, townships, nonprofits and tribal units of government located within the agency’s service area. Multi-organization collaboration is encouraged.

**Required match per project:** 1:1.

**FY22 funding:** $375,000. Grant amounts vary and range from $2,500 to $30,000.

**Evaluation criteria:**
- Job creation or retention.
- New and innovative initiative.
- Community benefit and partnerships.
- Economic impact by attracting new visitors and encouraging spending.
- Project planning and management.
- Urgent health and public safety concern.
- Diversity, equity and inclusion.
The city of Cook used a Development Infrastructure grant to rebuild Zup’s Food Market following a fire. The lone grocery store in the Cook area serves thousands of rural Minnesota residents located within an 80-mile vicinity. The newly rebuilt 18,000-square-foot store is a fully-featured modern food market with a fresh deli and catering service. Zup’s Cook location originally opened in 1998 and employs up to 40 people including full- and part-time positions. In addition to serving local residents year-round, the store is a key shopping destination for visitors to Lake Vermilion and other nearby lakes.

This grant assists communities by funding infrastructure projects that support business development. The grants fund modern, efficient and reliable infrastructure such as sewer, water, electric, roadways, runways, broadband and communications that lead to a business expansion or relocation.

Examples of projects: New or expanded infrastructure to support a manufacturing facility, housing developments, airports, child care facilities, healthcare and assisted living facilities.

Eligible applicants: Cities, townships, counties and tribal units of government located within the agency’s service area. Multi-organization collaboration is encouraged.

Required match per project: 1:1.

FY22 funding: $8,500,000 (includes development and community infrastructure grants). Grant amounts vary.

Evaluation criteria:
- Job creation or retention.
- Economic impact.
- Leverage.
- Project readiness and timeliness.
- Community benefit and partnerships.
- Diversity, equity and inclusion.
Bear Island Surveying, an Ely-based land surveying company was purchased in 2019 by two of its employees. The new owners utilized Northland Small Business Development Center (SBDC) to facilitate the purchase by assisting them with business plan development, financial analysis and projections, financing scenarios and business valuation. The SBDC regional consultant provided the services free of charge, thanks to a Development Partnership grant from Iron Range Resources & Rehabilitation. The agency’s grant supports an SBDC representative located on the Iron Range who provides technical services at no cost to existing businesses and startups. Under the new ownership, Bear Island continues to provide property boundary surveys, site plans, topographic surveys, FEMA floodplain surveys, platted subdivisions, condominium surveys, lot splits, ALTA surveys, easements, wetland delineation and legal descriptions.

This grant assists with research, education and development based initiatives that support the long-term economic growth of northeastern Minnesota. Combining resources from multiple partners helps to launch innovative projects that drive economic development. This grant supports the cooperative efforts of subject matter experts, educators, job placement services and entrepreneurial advisors who conduct the research and preparatory work to propel a business, grow an industry or solve a workforce barrier.

**Examples of projects:** Assistance with costs for potential child care providers during the planning and development phase to ensure the projects are fiscally sound and in regulatory compliance, manufacturing consulting services to help manufacturers achieve operational and bottom-line efficiencies.

**Eligible applicants:** Economic development partners and organizations within the agency’s service area. Multi-organization collaboration is encouraged.

**Required match per project:** 1:1.

**FY22 funding:** $625,000. Grant amounts vary.

**Evaluation criteria:**
- Job creation or retention.
- Enhances livable communities.
- Maximizes collaborations and partnerships.
- Strengthens businesses and worker education.
- Diversity, equity and inclusion.
This grant assists downtown businesses with the costs of code compliance construction and remodeling projects. Code compliance upgrades can help improve land values, enhance public image in downtowns that spur economic development, improve safety and reduce health threats. DBR is funded by the agency and administered through Arrowhead Economic Opportunity Agency (AEOA).

Examples of projects: Projects related to code compliance with general construction, electrical, plumbing, elevators, ADA accessibility, lead and asbestos removal, mechanical and sprinklers. Up to 10% of the grant may be used for professional services such as architectural or engineering.

Eligible applicants: Downtown businesses located within the agency’s service area.

Required match per project: A business may be provided up to 1/3 of the total project cost or up to $50,000.

FY22 funding: $250,000. Grant amounts vary.

Evaluation criteria:
- Building is prominent or historically significant.
- Building is highly visible on the main street in a downtown area.
- Code compliance issues are clearly identified.
- Project will support business expansion or retention.
- Project will bring a building back into use, expand the use of a building or retain a business that is in jeopardy of vacating a building.
- Project readiness: (1) ready to begin within 30 days, (2) construction bids with prevailing wage compliance.
The city of Ely used a Downtown Streetscapes grant to develop a pocket park and community space on a vacant lot previously occupied by Pamida. The project entailed upgrading lighting, seating, landscaping, ADA sidewalks, a small stage for music events, a playground climbing feature and public WiFi. Business corridors and main streets with attractive public spaces and amenities can play a significant role in attracting private sector investment, new residents and patrons. The pocket park is part of a larger downtown beautification initiative to complement ongoing storefront and building investments being made by Ely’s business owners.

This grant is designed to incentivize investment in downtown areas by promoting safe and attractive environments for residents, shoppers, workers and visitors. The physical appearance of a downtown is important to its economic vitality. Pedestrian and bicycle pathways, landscaping and public spaces are essential for a downtown to sustain and grow.

Examples of projects: Public utility box art mural wraps, enhancement of underutilized public space with benches and picnic tables, walking paths and sidewalk renovations with information kiosks and signage, bicycle racks.

Eligible applicants: Nonprofits, cities, townships and tribal units of government including informal grassroots groups that partner with a nonprofit or city to act as a fiscal sponsor within the agency’s service area. Multi-organization collaboration is encouraged.

Required match per project: 1:1.

FY22 funding: $200,000. Grant amounts vary and range up to $50,000.

Evaluation criteria:
- Job creation or retention.
- Visibility of project.
- Community support for project.
- How project enhances the economic vitality of the downtown or business corridor area.
- Alignment with strategic or comprehensive plan.
- Grant funding has not been received in the last two fiscal years.
- Diversity, equity and inclusion.
The city of Virginia used an EDA Partnership grant to launch its Downtown Grant Redevelopment Program which is anticipated to renovate up to 12 commercial properties that are currently substandard and/or blighted and located in the city-designated Redevelopment District. Virginia is offering grants in the form of forgivable loans to downtown business owners who reinvest in the physical assets of their business property. The city’s goal is to enhance and grow commercial, mixed-use development in its historic downtown and increase market values through redeveloped properties. Businesses to date that have utilized the program include: Ahrens Thompson Realty & Insurance, Barber Graphics, Canelake’s, Commercial Refrigeration, LaCocina & Cantina, Laurentian Divide Salon & Spa, Northern State Bank Processing Center, Popper’s Bar and WA Fisher.

This grant assists communities with programs that support downtown building rehabilitation.

**Examples of projects:** Projects or programs that support and improve downtown buildings.

**Eligible applicants:** Community economic development authorities in partnership with the city, within the agency’s service area. Multi-organization collaboration is encouraged.

**Required match per project:** 1:1.

**FY22 funding:** $300,000. Grant amounts vary.

**Evaluation criteria:**
- Job creation or retention.
- Enhance livable communities.
- Maximizes collaborations and partnerships.
- Strengthen businesses.
- Diversity, equity and inclusion.
Ely Schools ISD 696 will use a Bricks & Mortar grant to renovate its century old facilities on the pre K-12 campus. The existing 1919 Industrial Arts Building located between Memorial High School and Washington Elementary School will be demolished and replaced with a new building that will house advanced industrial technology classes and modern amenities. The campus will be transformed from three separate buildings into one large connected structure. The new campus layout creates operational, technology and safety efficiencies. The renovation is scheduled to be completed by fall of 2022 and will serve approximately 600 students and the surrounding Ely community. Academic, athletic and faculty collaborations with Northeast Range/St. Louis County Schools, Vermilion Community College, Northeast Higher Education District, Applied Learning Institute and Education Innovation Partners are part of the Ely Schools 21st Century Learning Plan.

This grant assists regional multi-district collaborative initiatives that result in increased availability and access to high quality education and training for students, teachers and communities.

**Examples of projects:** Projects that meet the needs of new collaborative activities and improved curriculum opportunities for students by building new facilities, renovating existing facilities, bond payments as described by legislation and demolition/infrastructure for stable or growing districts.

**Eligible applicants:** A collaboration of two or more school districts within the agency’s service area, or a stable or growing school district within the agency’s service area.

**FY22 funding:** Grant amounts vary and are capped at 55% from this fund and 45% from local contributions based upon approval of referendum.

**Evaluation criteria:**
- Job creation or retention.
- Enhances livable communities.
- Maximizes collaborations and partnerships.
- Strengthens businesses and worker education.
- Diversity, equity and inclusion.
Chisholm Public School District used an Innovative Academic Programming grant to develop a new classroom technology program. Students grades 4 through 12 of the Chisholm, Deer River and Mountain Iron-Buhl districts will be able to connect to teachers and curriculum offered in the Chisholm district. Through mobile devices and specially designed classroom kits, students may be digitally present from anywhere. The new program creates uninterrupted, quality education for students who cannot attend a physical classroom due to new distant learning requirements, medical reasons, or other student and family barriers.

This grant assists regional multi-district collaborative initiatives that result in increased availability and access to high quality education and training for students, teachers and communities.

Examples of projects: Collaborative programming, technology, career pathways and staff development that lead to enhanced educational opportunities for students.

Eligible applicants: A collaboration between two or more school districts within the agency’s service area. Individual districts partnering with a Northeast Higher Education District college are also eligible.

Required match per project: 2:1.

Evaluation criteria:
- Job creation or retention.
- Enhances livable communities.
- Maximizes collaborations and partnerships.
- Strengthens businesses and worker education.
- Diversity, equity and inclusion.
The city of Buhl used a Mineland Reclamation grant to improve the Judson Mine Recreation Area for public use and enjoyment. An 18-hole disc golf course was added and upgrades were made to existing trails for hiking, cross country skiing and snowshoeing. The disc golf course is free to the public and hosts disc golf events and tournaments that generate revenue to maintain the course which is a low-expense city amenity. The disc golf holes wind around the Judson Mine Lake and give players scenic views of a former mine and mining-impacted property that over time was transformed into a living recreational landscape.

This grant assists with highly visible development and restoration of mining-impacted land.

Examples of projects: Projects that reclaim or repurpose mining-impacted lands not otherwise provided by state law or that sustain current and future mining. Examples include recreational development, stockpile reclamation and vegetative enhancements, mine pit development and improvements and master planning.

Eligible applicants: Cities, townships, counties, tribal units of government, joint powers boards and nonprofits within the agency’s service area. Multi-organization collaboration is encouraged.

Required match per project: 1:1.

FY22 funding: $350,000. Grant amounts vary.

Evaluation criteria:
- Job creation or retention.
- Impact.
- Project readiness and timeliness.
- Community benefit and partnerships.
- Diversity, equity and inclusion.
Lake County used a Regional Trails grant to help construct a new 12-mile stretch of purpose-built, single track mountain bike trail and a multi-use trailhead along the North Shore, between Split Rock Lighthouse State Park and Beaver Bay. The project is the first of multiple phases that when fully completed will create 50 miles of trail with beginner to expert skill levels. The trail is part of the Lake County Trail System amidst the wilderness and within 1.5 miles of Lake Superior providing numerous views of the world’s largest fresh water lake. The project is helping increase recreational spending in the North Shore economy. Lake County anticipates 22,000 riders annually will use the Lake County Trails. Trails can help attract new families and workers to the region, retain retirees and draw short and extended tourist visits.

This grant assists with the design, engineering and construction of various types of trails such as snowmobile, bicycle, ski, hiking and ATV.

Examples of projects: Trail tunnel connector under highway, mountain bike skills trail, hiking and Nordic skiing trail.

Eligible applicants: Cities, townships, counties, nonprofits and tribal units of government located within the agency’s service area. The applicant or collaboration partners must be the current or intended owner with control of the property. Multi-organization collaboration is encouraged.

Required match per project: 1:1.

FY22 funding: $3,500,000. Grant amounts vary and cannot exceed 10% of the total project cost for design, engineering and construction management.

Evaluation criteria:
- Job creation or retention.
- Economic impact.
- Community impact and partnerships.
- Leverage.
- Project readiness and timeliness.
- Diversity, equity and inclusion.
Residential Redevelopment

The city of Hibbing used Residential Redevelopment grants to help demolish 38 structures. Between 2019 and 2021, the city demolished 16 houses, 17 garages and five accessory structures that were dilapidated, blight, uninhabitable or a safety hazard for residents. The demolition paved the way for redevelopment and new green space throughout Hibbing and its neighborhoods.

This grant assists with the demolition of dilapidated residential structures. The Residential Redevelopment grant provides funding for demolition to pave the way for a cleaner, healthier environment, more attractive communities and new construction.

Examples of projects: Single-unit residential homes, residential duplex, 3-plex and 4-plex homes, garages, sheds and barns within residential zones.

Eligible applicants: Cities, townships, counties and tribal units of government within the agency’s service area.

FY22 funding: $275,000. Grant amounts vary. A maximum of $3 per building square foot or 75% of demolition costs including basements, whichever is less.

Evaluation criteria:
- Job creation or retention.
- Redevelopment use.
- Project readiness and timeliness.
- Removes blight.
- Grant funding has not been received in the last 12 months.
- Urgent public health and safety issues.
- Diversity, equity and inclusion.
Northeast Higher Education District used a Workforce Development grant to expand the EMPOWER program from Hibbing Community College to other colleges including Mesabi Range campuses in Virginia and Eveleth. EMPOWER is designed to increase women’s enrollment in high-demand nontraditional fields of study such as welding, auto mechanics, diesel and heavy equipment mechanics, electrical maintenance, law enforcement, heating and cooling technician, industrial mechanics and carpentry. These fields are in high demand across the region and support mining, construction, transportation and heavy industry sectors. EMPOWER can potentially increase the earning capability of low-income women in northeastern Minnesota as well as fill job openings at area businesses.

This grant assists with education, training and career awareness initiatives that address regional workforce needs and gaps emerging in industries and schools. Workforce is the largest barrier to regional economic growth, a challenge not unique to northeastern Minnesota. Businesses across the state are increasingly in need of skilled workers. This grant supports projects that address workforce gaps, employment barriers and training solutions.

Examples of projects: Certified Tourism Ambassador training and certification for frontline staff in region’s tourism industry, Child Development Associate certification to upskill child care center workers, accelerated welding program to upskill existing and train new workers in the manufacturing sector.

Eligible applicants: An accredited post-secondary education institution, State of Minnesota governmental entities and/or nonprofit organizations partnering with industries providing education or training programs operating within the agency’s service area. Multi-organization and institute collaboration is welcome.

Required match per project: 1:1.

FY22 funding: $400,000. Grant amounts vary.

Evaluation criteria:
• Job creation or retention.
• Workforce impact.
• Community benefit and partnerships.
• Project planning and management.
• Diversity, equity and inclusion.
Ruth’s Vegetarian Gourmet, a Two Harbors-based producer of handmade plant-based frozen foods, used a direct loan to launch its products to retail markets in Minnesota, Wisconsin and Illinois. The products will be sold in Midwestern grocers and dozens of natural food cooperatives. Ruth’s also is opening specialty distributors in California, Florida and Maryland that will handle the distribution to smaller retailers in those states. Ruth’s uses traditional ingredients like oats, eggs, cheese, breadcrumbs, pecans, onion and garlic to make high protein products in small batches. Their products do not contain any soy, fillers, preservatives, dyes, nitrates, MSG or corn syrup.

“The low-interest loan from Iron Range Resources & Rehabilitation is helping us expand and help diversify the region’s economy and create employment opportunities outside of the mining industry. The loan provided our company additional working capital to market and sell products in the Minnesota market and beyond.”
- Bruce Bacon, Ruth’s Vegetarian Gourmet founder

Northeastern Minnesota has been at the heart of America’s mineral and forest productivity for more than a century. The region’s economy has diversified to include a strong core of manufacturing industries, tourism and small businesses. The costs for land and commercial real estate are significantly lower in northeastern Minnesota. Companies have chosen to relocate or expand here, tapping into the quality of life unique to the region: trails, lakes, year-round outdoor recreation, community parks and green space.

Our agency provides flexible, custom, low-interest loans to businesses relocating to the region and to existing businesses that are expanding. The loans may be used for:

- Land and building acquisition.
- Building renovation.
- New building construction (only permanent term financing).
- Land improvements.
- Machinery and equipment purchases.
- Inventory purchase.
- Equity capital.
Superior Nano used a loan guaranty to purchase a specialized processor for the equipment line that will exponentially increase production capability and take the company’s technology to commercial scale. Based in Two Harbors, Superior Nano is a technology and manufacturing company that produces nano emulsion serums with botanicals such as birch and CBD for use in cosmetic, personal care and pharmaceutical applications. Superior Nano sells the serums directly to consumers and to retailers and distributors for their private label brands. The company also partners with global cosmetic and personal care businesses to formulate and manufacture new products for worldwide distribution.

“The loan guaranty will bring our production from bench-scale to commercial-scale. Nano emulsions are usually produced by the liter, but this new processor enables us to produce thousands of liters at a time. This new technology does not exist in the marketplace, so what we are doing in Two Harbors is a major breakthrough in the cosmetics, personal care, and pharmaceutical industries.” - Brian Garhofer, Superior Nano CEO

Iron Range Resources & Rehabilitation provides flexible, custom, low-interest loans to new businesses relocating to the region and to existing businesses that are expanding. The agency is limited by law to a maximum of 50% participation in eligible financed costs.

**Bank participation loan**
The agency purchases a portion of a loan originating with a commercial bank or other regulated lender. The maximum participation by the agency for any single project is limited to $500,000. Exceptions may be granted for projects that have the potential to create a significant number of jobs. The interest rate on the agency’s purchased participation will be set at a minimum interest rate of three percentage points less than the full-faith and credit obligations of the United States government of a comparable term to the loan, rounded up to the nearest .5%. The minimum rate charged on participation loans is 1%.

**Direct loan**
The agency provides a loan directly to the eligible business. The interest rate is set at one percentage point less than the full-faith and credit obligations of the United States government of comparable term to the loan, rounded up to the nearest .5%. The minimum rate charged on direct loans is 3%.

**Loan guaranty**
The loan guaranty program allows the agency to guaranty a bank loan for eligible businesses. The guaranty can be up to 75% of the total loan or a $75,000 maximum.

**Grants**
Competitive grants are available to local municipalities and tribal units of government that promote business development and community growth. The grants help pay for infrastructure, sitework, internal and external building demolition for property reuse and energy efficient upgrades to buildings.
Iron Range Resources & Rehabilitation serves a 13,000-square-mile area in northeastern Minnesota with unique competitive advantages. Our region offers:

- Industrial space, downtown office space, warehouses.
- Developable acreage.
- Vast transportation network: shipping, highways, airports, rail lines.
- More than ten designated industrial parks.

Our agency can assist with building and land acquisitions, renovations of existing buildings or construction of new facilities.

**Virtual Tours**

Virtual tours of buildings and sites in the agency’s service area are available. The sites and buildings are for sale and/or lease on the open market. Virtual tours can expedite the site selection process and be used during teleconferences. Clients can virtually explore the interior and exterior of properties without the time and expense of travel.

**Shovel Ready site program**

The State of Minnesota’s Department of Employment & Economic Development (DEED) Shovel Ready program gives Minnesota a competitive edge in attracting business startups, expansions or relocations. Certification takes much of the time, expense, unpredictability and risk out of development by completing the key legal, technical and regulatory tasks.

Recognizing what a powerful tool this is in attracting business development projects, Iron Range Resources & Rehabilitation offers financial assistance to our economic development and community partners to help them offset the costs of obtaining shovel ready certification.
Business-Related Grant Programs

Business Energy Retrofit
This grant assists business owners with energy efficiency improvements to their buildings. It is funded by Iron Range Resources & Rehabilitation and administered through a partnership with Arrowhead Economic Opportunity Agency (AEOA). See complete grant information on pages 14-15.

Commercial Redevelopment
This grant assists with internal and external demolition of commercial and industrial buildings and clean-up of brownfields for the purpose of new development. See complete grant information on pages 16-17.

Development Infrastructure
This grant assists with development related infrastructure projects. See complete grant information on pages 22-23.

Downtown Building Rehabilitation
This grant assists downtown business owners with costs of code compliance construction and remodeling projects. It is funded by Iron Range Resources & Rehabilitation and administered through a partnership with Arrowhead Economic Opportunity Agency (AEOA). See complete grant information on pages 26-27.

Workforce Development
This grant assists with education, training and career awareness initiatives that address regional workforce needs and gaps in industries and schools. See complete grant information on pages 42-43.
Iron Range Resources & Rehabilitation works to improve economic opportunities for diversity and inclusion within its service area.