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**City of Duluth Communications Office**

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**SUBJECT: \$418K grant to Duluth will bring multimillion dollar project to Canal Park**

**BY: Pakou Ly, Public Information Coordinator**

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## **\$418K grant to Duluth will bring multimillion dollar project to Canal Park**



[Duluth, MN] - The City of Duluth and a private developer, 300 Canal Park LLC, are partnering to bring in a multi-million dollar shovel ready project into the gateway of Canal Park thanks to a \$418,000 grant from the Minnesota Department of

Employment and Economic Development's Contamination Clean Up and Investigation program. The grant is the second of two issued to Duluth in the current funding cycle and will help clean up the former Duluth Spring site, located at 300 Canal Park Drive, which manufactured steel leaf springs used for mining equipment. The other Clean Up grant targeted the Atlas Industrial Park. The private developer is ready to start construction at Duluth Spring once the site is cleared of contaminants. Of the ten grants awarded statewide, Duluth received two grants totaling just over \$900,000; Hibbing and Cloquet also received grant funding.

The existing Duluth Spring building has been unoccupied for approximately two years and will be demolished in order to start clean up and remediation of contaminants. Contamination identified during the site assessment work appears to be attributable to filling of the site with lithologic materials (i.e. a mixture of silt, sand, gravel and boulders) as well as bits of glass, porcelain, lumber, ash, and scrap metal. About 50% of the site is impacted with lead. The work could start soon with estimated completion of the clean up by fall 2011.

"We are appreciative of MN DEED's important support for this project. Duluth has made brownfield cleanup a priority strategy in our efforts to stimulate economic growth and we are proving the effectiveness of this approach. The Duluth Spring project will create jobs, clean up that property, and spur investment - it's a great project and we're proud to support it," said Mayor Don Ness.

The grant has a 25% match which is being contributed by the developer, 300 Canal Park LLC, in addition to costs associated with future construction. The developer estimates that the new development could bring in a \$3 to \$8 million investment into the Canal Park area.

“We are very appreciative of Mayor Don Ness, Heidi Timm-Bjiold, Brian Hanson and everyone’s support at the city of Duluth for helping us secure this grant. The city has been great to work with from day one! With the grant, we can have local contractors make ready to clean up the environmental ground contamination adjacent to the beautiful Lake Superior shoreline in Canal Park. This environmentally clean site will now be positioned to contribute back to the community and will become an attraction versus a non tax revenue producing eye sore”, said Rockie Kavajecz, President of 300 Canal Park LLC.

Lending practices have made it difficult for developers to invest in sites with this level of contamination due to the costs of remediation. The City’s partnership means that the work could start immediately to ensure development of this site moves forward without delay.

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