



Saint Louis County

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NEWS RELEASE

For Immediate Release:

February 1, 2013

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County application for business flood relief loans approved

Two St. Louis County businesses have received initial approval for interest-free loans to assist with recovery efforts following last June's floods. The Minnesota Department of Employment and Economic Development (DEED) has approved the County's application for \$170,000 in Minnesota Investment Funds (MIF) Disaster Recovery Financing for the two businesses.

Lake States Insulation in Proctor is requesting \$150,000 to help with the costs of clean up, repairs and loss of inventory. Meanwhile, Retreat Golf Course in Floodwood is requesting \$15,000 for costs associated with repairing tee boxes and cart paths. The County receives the remaining \$5,000 to cover administrative expenses.

"These are two good businesses in our County and we want them to remain healthy and vibrant," said Commissioner Pete Stauber, "and so I'm thrilled they are taking the steps, and that the Board has been able to help them, to apply for this assistance and put it to good use."

The Minnesota Legislature, during last August's special session, authorized \$15 million for disaster-recovery financing for businesses in flood-affected communities. In addition to being interest-free, the 10-year loans are 50-percent forgiven if the business remains in the community for 10 years. The loans can be used to fund capital expenses and reestablish operations, thus helping to retain and create jobs. The loans cannot be used for non-capital expenses such as loss of business or relocation costs.

Funds still exist to help other businesses affected by the flood. Business owners have until the end of 2013 to apply, and can do so by contacting the following: In St. Louis County (outside Duluth) call Bob Palmquist at the Northspan Group at (218) 529-7562. In Duluth, call Chris Eng, Director of Business and Economic Development at (218) 730-7808. Business owners outside St. Louis County should contact their local unit of government. To learn more about financial resources available following the flood, visit stlouiscountymn.gov and click on the Flood Resource Center link.

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