

Press Release

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U.S. Dept. of Commerce Invests \$5.8 Million to Support Business Growth in Fosston

On September 13th, U.S. Secretary of Commerce Gina Raimondo announced the Department's Economic Development Administration (EDA) is awarding a \$5.8 million grant to the city of Fosston, MN to boost business growth by making infrastructure upgrades needed to expand the city's existing airport and industrial park. This grant is funded by the American Rescue Plan.

This project will provide expanded road, water, wastewater, and natural gas capacity to create eight new lots in the industrial park, as well as construction of a six-unit multi-use hangar at the airport to encourage new fixed-base operators to locate there. The EDA investment will be matched with \$1.4 million in local funds and is expected to create 250 jobs, retain 100 jobs, and generate \$50 million in private investment, according to grantee estimates.

"President Biden's American Rescue Plan offers direct relief to American communities as they work to build a better America for the future," said Secretary of Commerce Gina Raimondo. "This EDA investment will provide the critical infrastructure needed to encourage business growth in Fosston, strengthening the region's economy."

Assistant Secretary of Commerce for Economic Development Alejandra Y. Castillo stated, "The EDA is pleased to support locally-driven strategies to boost economic recovery efforts. This EDA investment will allow Fosston to spur business growth by improving operations at the airport, and industrial park which capitalize on the city's location as a freight and tourism nexus and its strong labor pool."

"This grant will allow the city of Fosston to develop lots the city already owns," stated Fosston Mayor, Jim Offerdahl. "By improving streets and infrastructure and the expansion of additional business and industry, the development will increase the city's tax capacity. This will lessen the burden on existing taxpayers as well as create new jobs for our community."

Cassie Heide, Fosston City Administrator said, "We are so grateful for this award that will continue to progress Fosston forward and provide vitality and resiliency for our city and the entire region."

Fosston Economic Development Director, Michelle Landsverk stated, "I am excited about the new opportunities that this federal award will open to us. Through the development of

additional industrial park land and improvements to the airport, we will be able to recruit new industries to town, as well as accommodate the growth of our existing valued employers.”

Northwest Regional Development Commission’s (NWRDC) economic and community development staff worked with the city of Fosston and Karvako Engineering in Bemidji, MN to develop the Preliminary Engineering Report and submit the grant application in March.

NWRDC Chair, Gary Kiesow stated “On behalf of the NWRDC Board and Commission, we are pleased to be able to partner with Fosston on this much needed investment to spur additional economic activity in the region. As a Commission, our mission is to support communities across NW Minnesota as they attract new business investment and secure long-term stability by creating opportunities for future growth”.

NWRDC Executive Director, Darla Waldner added: “Economic development and sustainability are vital to rural communities in Northwest Minnesota. The community of Fosston has focused their planning efforts on the expansion of the industrial park and airport which will have an impact on workforce, community, and connectivity. This is a shining example of economic success that will lead to positive outcomes”

This project is funded under EDA’s American Rescue Plan Economic Adjustment Assistance program, which makes \$500 million in Economic Adjustment Assistance grants available to American communities. The Economic Adjustment Assistance program is EDA’s most flexible program, and grants made under this program will help hundreds of communities across the nation plan, build, innovate, and put people back to work through construction or non-construction projects designed to meet local needs.

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