



FY25 Targeted Community Capital Project Annual Report

As required by Minn. Stat. § 116J.9924 Subd. 8
February XX, 2026

Contact Information

MN Department of Employment and Economic Development
Great Northern Building
180 East 5th Street
St. Paul, MN 55101

Ann Meyers
Director, Adult Career Pathways
Ann.Meyers@state.mn.us
651-259-7174

As required by Minnesota Statute 3.197: This report cost approximately \$349.75 to prepare, including staff time, printing, and mailing expenses.

Upon request, this material will be made available in an alternative format such as large print, Braille, or audio recording. Printed on recycled paper.

Table of Contents

Contents

Legislative History	4
Targeted Community Capital Project Overview	4
Background Data	4
Program Results in SFY2025	4
Project Highlights.....	4
Outcomes	5
Expenditures	7

Legislative History

[Laws of Minnesota 2021 1st Special Session, Ch. 14, Art. 11, Sec. 41](#) authorized funds of \$24,000,000 for the targeted community capital project grant program under [Minn. Stat. § 116J.9924](#). [Laws of Minnesota 2021 1st Special Session, Ch. 14, Art. 11, Sec. 42](#) specifies that of the total appropriation, \$6,000,000 is dedicated for one or more grants to any business engaged in the meat processing industry and meeting other eligibility requirements. This appropriation is available until encumbered or spent subject to [Minn. Stat. § 16A.642](#).

Targeted Community Capital Project Overview

The Targeted Community Capital Project is administered by the Department of Employment and Economic Development (DEED). As stated in [Minn. Stat. § 116J.9924](#), DEED is authorized to make competitive grants for capital projects to nonprofit organizations and government entities that provide, increase, or expand access to economic development, education or workforce development programs or services to underserved communities or economically disadvantaged persons or groups. Grant awards must be equitably divided between the metropolitan areas and greater Minnesota.

The Request for Proposal was publicly released on 10/22/21. Proposals were solicited from qualified responders for complex and costly capital projects that might not occur without public financial assistance.

Priority was given to applicants that:

- Did not have a history of receiving capital grants from the state
- Demonstrated local support for the project
- Addressed needs for an underserved community, an economically disadvantaged area, or people or groups who are economically disadvantaged
- Provided community benefits
- Had previously received phased grant funds

Eligible project costs included predesign, design, acquisition of land or buildings, construction, furnishing and equipping a new or renovated. Equipment is not eligible unless purchased and installed upon initial acquisition and construction of a building, expansion or major remodeling and needed for the operation of the project. Organizations were eligible to apply for a maximum award not to exceed \$1.5M. The award required proof of full-funding for the project.

FY25 Targeted Community Capital Project Results

Project Highlights

Sixteen projects were awarded grant funds through the Targeted Community Capital Project. Eight award recipients were located in the Metropolitan area and the other eight awardees were located in areas outside of the 7-county metropolitan area – Greater MN).

Table 1. FY25 Program Outcomes

7/01/2021 – 11/30/2025:

Grantee	Amount Awarded	Geographical Area	Completion Date	Program Activities Upon Completion
Access North	\$123,071	Greater MN; Hibbing	10/2023	Construct a carpentry shop to support seniors and people with disabilities stay in their homes.
ACER	\$921,486	Metro Area; Brooklyn Park	12/2025	Purchased space to create Future Entrepreneurship & Career Centers in Brooklyn Center and work with current tenants to improve store space.
CLUES	\$1,500,000	Metro Area; St. Paul	09/2024	Purchase and renovate space to create Early Childcare Center, food pantry, and increase behavioral health services.
Ecolibrium3	\$843,250	Greater MN; Duluth	10/2025	Renovation of properties to provide neighborhood resource hub, small footprint grocery & experiential STEM lab at the children's museum.
Emerge	\$610,000	Metro Area; Minneapolis	12/2025	Expansion of the current facility to increase access to WFD services, employment preparation, job placement and job skills for people returning from incarceration.
Itasca	\$1,080,000	Greater MN; Itasca	09/2023	Construct "The Forge", a space for programming, innovators, artists, education, & training (welding, glass blowing, pottery, 3D printing).
Kootasca	\$1,373,737	Greater MN; Grand Rapids	12/2023	Renovation of a vacated elementary school to create an early childhood hub.

Latino Economic Development Center	\$1,500,000	Metro Area; St. Paul	12/2025	The purchase of the Plaza Del Sol building for commercial and business opportunities for the Latino community.
Lower Sioux*	\$1,500,000	Greater MN; Morton	Grant agreement not yet in place	Construct a campus to house hemp farming, hemp processing, and home building facilities.
Masjed	\$1,500,000	Greater MN; Rochester	05/2024	Purchase and renovate a building to provide training and job placement for public transportation, childcare providers, home health aides, and IT/coding.
MIGIZI	\$921,486	Metro Area; Minneapolis	8/2023	Renovation and construction of an addition to the existing space for services to youth such as career training programs.
Mille Lacs	\$536,970	Greater MN; Onamia	9/2023	The purchase and renovation of a building to open a childcare facility.
Osseo	\$190,000	Metro Area; Brooklyn Center	12/2023	Renovation of the ABE front office at the primary NW Family Service Center adding space for workforce training.
Parents in Community Action Inc.	\$1,500,000	Metro Area; Minneapolis	07/2024	Renovation of existing Training Center facility, including expanding the existing Lab School and providing space for workforce development programs, and staff/community training.
Ridgewater	\$1,500,000	Greater MN; Wilmar	10/2025	Construction to expand the existing space to grow the CDL training program by creating a 300'x200' truck driving training range.

Somali Community Resettlement	\$1,500,000	Metro Area; Minneapolis	10/2022	The purchase of a new building in South Minneapolis to expand workforce development and economic development services in South Minneapolis.
--------------------------------------	-------------	-------------------------	---------	---

**Grant agreement not yet in place*

Table 2. Expenditures

Total amount available for grant awards was \$17,100,000. \$900,000 was allocated for program administration. The full amount of \$17,100,000 was granted in awards. The following indicates the total amount of the awards spent through 11/30/2025.

COST CATEGORY	TOTAL EXPENSES/ REIMBURSEMENTS
Total:	\$14,612,804.83