

Recovery Snapshot:
***East Grand Forks Downtown
Revitalization***

Grantee: East Grand Forks, Minnesota

Program end date: 1/29/2002

Administering Agency: City of East Grand
Forks

Buildings assisted: 4

Program start: 8/1/1997

Businesses benefiting: 22

Impact of Disaster: East Grand Forks is located in northwestern Minnesota on the border with neighboring Grand Forks, North Dakota. On Friday, April 18, 1997, the Red River poured over the dikes into the Lincoln Drive neighborhood of Grand Forks. By the end of the next day, floodwaters had spread over large areas of Grand Forks and East Grand Forks, 60,000 people were out of their homes, and downtown Grand Forks was burning. The entire population of East Grand Forks—about 8,000 people—was evacuated. Out of 5,501 homes in East Grand Forks, only 7 homes escaped flood damage. Many residents were away from their homes for a week or more before the floodwaters receded enough for them to reach their homes and assess the damage. Almost every home in East Grand Forks had flood damage. The city’s downtown suffered similar damage. Water levels in downtown East Grand Forks reached 6 to 8 feet. Many downtown buildings were damaged beyond repair or were demolished to make way for the new dikes to be built by the Corps of Engineers.

Program Description: CDBG disaster funds of \$10.8 million were used in the form of economic development to for-profit businesses to create and retain jobs in the community. This included assistance for construction of a major downtown building for an anchor retail business; assistance with construction of two commercial/retail buildings on an underutilized riverfront boardwalk location; assistance to a downtown restaurant for construction of an addition; and parking lot construction, streetscape, and boardwalk improvements to support the downtown commercial activities. An additional \$7.9 million CDBG allocation was used to assist with the construction of a new city hall, municipal library, fire hall, and park building, and \$561,000 was allocated for construction of downtown streets adjacent to the new city hall.

Coordinating the Disaster Recovery Effort: The city of East Grand Forks had lead responsibility for the recovery effort, working closely with FEMA, the Corps of Engineers, and many other public and private entities. A master plan was developed for downtown redevelopment. At the center of the redeveloped downtown is a new Cabela’s sporting goods retail store (the “World’s Foremost Outfitter”) selling hunting, fishing, and camping supplies. The store’s interior features a “mountain” with wildlife mounts and a trout stream. Cabela’s is the mainstay of the downtown redevelopment efforts and received \$7 million in CDBG assistance.

During the flood, seven and one-half feet of water filled the downtown Holiday Mall, destroying everything in the mall. The city decided to buy the mall and renovate it to provide a home for

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businesses displaced by the flood. The mall was originally planned to be a temporary home for businesses, to be torn down after the rest of downtown was rebuilt. After Cabela's made a commitment to build downtown, the city decided to expand the mall. The expansion opened in the fall of 1999 and was renamed the Riverwalk Center.

The Riverwalk Center is an example of how disaster grantees must be flexible to meet constantly shifting financial situations. The Riverwalk Center project was removed from the CDBG Disaster Recovery grant in 2000 and moved to a State CDBG grant for commercial rehabilitation. The \$550,000 that had been budgeted for Riverwalk Center was re-budgeted to pay for flood damage repair costs to public facilities that were not covered by FEMA Public Assistance grants.

The city allocated \$1 million to Boardwalk 2000, a privately-owned commercial/office building constructed along the riverfront boardwalk; Applebee's Restaurant is the primary first floor tenant. East Grand Forks spent \$772,651 for the Infill Building, a city-owned commercial/office building also fronting on the boardwalk; Mike's Pizza occupies the main floor.

Whitey's Wonderbar had been in business in East Grand Forks since 1925 and at the same downtown location from 1933 to April 1997 when floodwaters filled its building. The old building was torn down to make way for the floodwall. Whitey's reopened in another downtown building, constructed a 2,400-square-foot addition with \$270,000 in CDBG disaster assistance funds, and added a new entrance facing the river.

An "invisible flood control wall" has been built to protect downtown East Grand Forks. This cutting-edge design provides the downtown with the amenity of overlooking a river instead of a dike, significantly enhancing the value of the commercial properties. If a flood threatens, additional sections of wall can easily be added to provide protection to a level approximately four feet above the crest of the 1997 flood, which was a 500-year event.

The business community is active once again and most jobs in the new downtown are occupied by or available to low- and moderate-income people. Job creation data has been carefully maintained by the city.

For more information, visit <http://draves.com/gf/>.