

Initiative Foundation Grant Application

Crosby Downtown Storefront Improvement Pilot — a working draft prepared for the City of Crosby’s consideration

Drafted by Jimmy Davidson · Agentic Personnel Solutions · Crosby, Minnesota · September 2026

About this draft

This is a working draft of a complete grant application — the second of three pieces of free work committed to the City of Crosby on this site. It targets the Initiative Foundation’s open Economic Development round for local governments (up to \$10,000, closing September 25, 2026). It was researched, written, and sourced entirely from public records, at no cost, and is published here as finished work the city — and any neighbor — can judge directly.

It is a draft on purpose. The application belongs to the city: program design choices below are proposals for city staff to adjust, items marked (*to confirm*) await confirmation from the Foundation’s program office, and nothing is ever submitted by anyone but the city, under the city’s own account and signature. If the city would rather aim this at a different project — an alternate is sketched at the end — it gets re-aimed there instead.

Application at a glance

Applicant	City of Crosby, Minnesota (local unit of government)
Program	Initiative Foundation — Economic, Community & Workforce Development grants, Round Two
Focus area	Economic Development
Amount requested	\$10,000
Project	Crosby Downtown Storefront Improvement Pilot
Project period	November 2026 – October 2027, one full construction season (<i>to confirm</i>)
Deadline	September 25, 2026, 4:00 pm — submitted through the Foundation’s online portal under the city’s own account

Project summary

The City of Crosby requests \$10,000 to seed a downtown storefront improvement pilot: a small matching-grant fund that reimburses downtown property and business owners for visible exterior improvements — signage, paint, awnings, windows, and lighting. Owners must match grant dollars at least one-to-one, so the award draws \$20,000 or more in total private reinvestment into Crosby’s walkable downtown core in a single construction season. Crosby is a fiscally stressed Iron Range trail town that is roughly 95% built out and hemmed in by water, neighboring cities, and state recreation land; reinvestment in the existing downtown is the city’s most

practical economic development lever. The program is designed for in-house administration with no paid overhead, so the full award goes to storefronts.

Statement of need

Crosby (pop. ~2,400, Crow Wing County) sits on the Cuyuna Iron Range and carries a genuinely strained municipal balance sheet. The city has raised its property tax levy 9.2%, 7.5%, and 8.3% in three consecutive years — a 27.3% cumulative increase — and its 2026 budget was adopted with a built-in \$45,476 deficit, with state aid making up roughly 42% of the general fund. The city’s tax rate is the second-highest of any city in Crow Wing County, and the council’s own minutes (Sept. 17, 2025) concede that “approving needed levy amounts is beyond what residents can absorb.”

The structural problem behind those numbers is that Crosby cannot grow outward. The city is approximately 95% built out and bounded on all sides — by Serpent Lake, by the neighboring cities of Ironton and Deerwood, and by the Cuyuna Country State Recreation Area. By the city’s own estimate, more than half the land inside city limits is off the tax rolls entirely.

Meanwhile, the town has been remade by the recreation economy: the Cuyuna trail system draws an estimated 400,000–500,000 visitors a year through and past Crosby’s downtown. That traffic is an economic development opportunity the Main Street building stock is not yet positioned to capture. Storefronts facing the county’s second-highest city tax rate understandably defer exterior investment — and each un-reinvested facade makes the next owner’s decision not to invest easier. The city has no spare levy capacity to prime this pump itself. A modest outside catalyst — structured so private owners bring the majority of the money — is precisely the gap this grant fills.

Project description

The city establishes a one-season storefront improvement matching-grant pilot for properties in the downtown commercial core (boundary to be set by city staff; a simple map accompanies the final application):

- **Eligible applicants:** owners or tenants (with owner consent) of commercial buildings in the defined downtown area.
- **Eligible improvements:** exterior, visible-from-the-street work — signage, paint, awnings, window and door replacement, exterior lighting, and accessibility improvements to entries. No interior work, no routine maintenance.
- **Match:** minimum one-to-one — every grant dollar met by at least one private dollar.
Reimbursement-based: owners are paid after completed work is documented, so the fund never fronts money.
- **Award size:** up to \$2,500 per storefront, targeting at least four completed projects (final shape set by city staff).
- **Selection:** a simple one-page application; if oversubscribed, priority to street-facing improvements on the most-trafficked blocks and to first-time applicants, decided by a small local review group.

- **Administration:** in-house by city community-development staff as part of existing duties — no grant dollars go to administrative overhead.

Nov–Dec 2026	Council adopts program guidelines; application form published
Jan–Mar 2027	Application window; owner outreach through the Chamber and direct contact
Apr–Oct 2027	Construction season — projects completed and reimbursed on documentation
Nov 2027	Final report to the Foundation: projects completed, dollars leveraged, before/after photos

Budget

Storefront matching grants (4 × up to \$2,500)	\$10,000
Program administration (city staff, in-kind)	\$0 — city in-kind
Total request	\$10,000
Minimum private owner match (1:1)	\$10,000+
Total minimum project value	\$20,000+

Budget format follows the Foundation’s required form once confirmed with the program office.

Outcomes and measurement

- Four or more storefront improvement projects completed in one construction season.
- \$10,000 or more in private reinvestment leveraged, documented through reimbursement receipts.
- Before-and-after photographic documentation of every funded project.
- A tested, council-adopted program framework the city can rerun or scale — including as the foundation for a future IRRR Downtown Redevelopment application once a specific business or parcel emerges.

Organizational capacity

Crosby has the staff and the track record to execute this. The city administrator’s office actively manages a substantial grant portfolio across IRRR and Sourcewell programs, and the city’s community development office — a dedicated position established in 2024 — provides natural in-house administration. Recent execution includes a \$50,000 Sourcewell Community Impact award (2024, technology modernization), a 2025 Sourcewell Boost grant, and 2025 fire-department radio funding. The Crosby HRA offers an additional experienced program-administration vehicle if the council prefers to house the pilot there.

An alternate, if the city prefers

The same request could instead fund a **downtown infill feasibility study**: a parcel-by-parcel look at which downtown sites are genuinely ready for new development, and what financing tools the city already controls could move them. The Foundation funded a \$5,000 feasibility study of this shape for the City of Sartell in the same program. It is the more strategic option; the storefront pilot is the more visible one. The choice is the

city's.

What remains before submission

- Confirmation from the Foundation's program office: letter-of-intent requirement, required attachments, and whether a council authorization is needed before submitting.
- City review — at least one full review-and-revise pass with city staff; the final program shape (boundary, award size, selection) is theirs to set.
- Submission by the city, through the city's own portal account, before the September 25 deadline.

Every figure above is drawn from public records — Office of the State Auditor budget reports, Department of Revenue certified levy tables, Crow Wing County tax-rate publications, City of Crosby council packets and minutes, and the Foundation's published program pages — and is linked to its source in the online edition at cuyunacompass.com. Questions and corrections: jimmy@agenticpersonnel.com.