

# Tax Base Revitalization Account

PROJECT PROFILE

## Surly Brewing Minneapolis, Minnesota



Before



After

### PROJECT SUMMARY

After maximizing brewing capacity at their Brooklyn Center facility, Surly expanded production to create a destination brewery with (i) production, packaging, warehousing, cold storage, shipping/receiving, and administrative space; (ii) retail sales and entertainment space including beer hall, restaurant, and event center; and (iii) related site improvements including recreation and festival gardens as well as off-street parking. Set on an 8.3-acre brownfield site on the borders of Minneapolis and Saint Paul, this tourist destination offers easy access to public transportation, the University of Minnesota and freeways.

### HOW THIS PROJECT SUPPORTS LIVABLE COMMUNITIES

**BENEFITS ENVIRONMENT** → From storm water retention to solar-powered water closet flush valves, the facility has transformed the existing urban site into a community amenity featuring gardens and gathering areas, retail, entertainment and employment, assembled only a short walk from a Green Line light rail station.

**CREATES OPPORTUNITY** → The Surly development has created or retained 230 jobs at the new location. In addition, the site is capable of brewing 100,000 barrels per year, with room for additional growth in size, jobs and tax base.

**INCREASES TAX BASE** → The project reports a property tax increase of nearly \$200,000 since opening. The site can also be seen as a catalyst for surrounding redevelopment as it becomes a regional tourist destination.

### TBRA GRANT INFORMATION

**Applicant:** City of Minneapolis  
**Funding Cycle:** 2012  
**Grant Amount:** \$545,300  
**Other LCA Funding:** None

### Funded Elements:

Environmental investigation and soil remediation. Contaminants included volatile and semi-volatile organic compounds, metals, diesel-range and gasoline-range organics, asbestos in the soil and related petroleum-impacts in the ground water.

### FAST FACTS

**Developer:** Surly Brewing Company  
**Estimated Total Development Cost:** \$33 million  
**Project Type:** Soil cleanup and vapor mitigation, asbestos abatement  
**Construction Costs per GSF:** 345  
**Jobs:** 200 and growing  
**Acres:** 8.32

## RISKS AND OUTCOMES

### FROM PROJECT DEVELOPER

Nearly 80 sites in the metro were initially considered for a “destination brewery,” making site selection a challenge. When the site was finally chosen due to its proximity to amenities, financial risks loomed as Surly vied for funding that would help transform the site not only by way of environmental remediation, but also urban design. Ultimately, the size of the project grew during site planning, and though borrowing money was contingent on meeting certain cleanup milestones, the project has been nothing short of successful.

Surly has established a standard for redevelopment, “greening” the neighborhood by recycling materials, following LEED guidelines, reducing impervious cover, creating an electrical chemical activation system, and designing a sloping roof allowing rainwater to run off into a rain garden, among many other sustainable and energy-saving features.

### FROM CITY STAFF

While Surly chose its location based on its proximity to public transit, bike paths, both downtown Minneapolis and Saint Paul and the University of Minnesota, it also chose its location despite the costly environmental cleanup. Methane gas was escaping from the contaminated soil, polluted with lead, arsenic, mercury and asbestos. The biggest challenge for the city, therefore, was financing such a costly, large-scale cleanup project.

After seeking \$2.5 million dollars in cleanup grants from TBRA, DEED, and Hennepin County, the financial burden of major environmental risks was mitigated, and the project went on to see major success in and around the region.

“Throughout the building and site, strategic connections link people to one another and the brewery”

Steven Dwyer, AIA  
Project Lead Designer



During construction



Overlooking the beer hall from the second floor



### ABOUT TBRA

The 1995 Livable Communities Act (LCA) funds community investment that revitalizes economies, creates affordable housing, and links different land uses and transportation. The council awards 4 types of grants to communities. TBRA provides \$5 million annually to investigate and clean up brownfields — contaminated land, ground water, or buildings — for redevelopment. TBRA provides key support for a wide range of projects, from affordable and market rate multi-family housing to commercial and industrial redevelopment.

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### LEARN MORE

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