ST. PAUL – Five Minnesota communities have received infrastructure grants totaling $1.2 million from the Minnesota Department of Employment and Economic Development (DEED).

The funding was awarded under the agency's Greater Minnesota Business Development Public Infrastructure Grant Program to the cities of Virginia, Albert Lea, Detroit Lakes, Perham and Isle.

"These grants will help create new jobs in Greater Minnesota," said DEED Commissioner Dan McElroy. "The program is an important part of the state's economic development growth strategy."

The program pays for up to 50 percent of the capital costs for road construction, sewer and water extensions, and other infrastructure needs. Eligible communities must be outside the seven-county Twin Cities metropolitan area.

The following grants were awarded:

- **Virginia**, **$200,000,** for developing an old mine dump site for P&H MinePro Services, a company that refurbishes mining equipment and sells its products worldwide. The company cannot expand at its current sites in Mountain Iron, Buhl and Hibbing . P&H anticipates creating at least 16 full-time positions, with wages between $16 and $45 an hour. DEED allocated funding for this project in 2006, but additional support was needed because of cost increases (from $1.5 million to $3.7 million).

- **Albert Lea**, **$250,000,** for building an 80-acre industrial park at a cost of $1.5 million. Pro Trucking Inc. has committed to move to the site, bringing an existing workforce of 80 employees and hiring another 15 to 17 employees once the relocation is completed.

- **Detroit Lakes, $250,000,** for a 39-acre expansion of an existing industrial park. The $1 million expansion is expected to result in 120 new jobs and to increase the city's tax base by $4.3 million.

- **Perham, $250,000,** for infrastructure at the site of the new Perham Memorial Hospital. The total cost of the street/utilities project is $3.1 million. The hospital plans to add 25 jobs with an average wage of $19.50 per hour.

- **Isle, $250,000,** to extend utilities to a new 75-acre industrial park. Initially, 19 jobs are expected to be created. The new park will also help retain Merit Enterprises, a 27-employee firm whose building was destroyed by a fire in November 2008. The total cost for developing the industrial park is $2 million. The DEED award is contingent upon financing being awarded by the Federal Economic Development Administration by March 31, 2009.