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## Mayor Coleman, Senator Klobuchar, Senator Franken and Congresswoman McCollum Kick-off J&J Distributing Improvements

\$3.3 million in federal stimulus, state and local money will help J&J create 150 new jobs and save \$175,000 in annual energy costs

SAINT PAUL – As one of the first Rebuild Saint Paul initiatives, Mayor Chris Coleman, Senator Amy Klobuchar, Senator Al Franken, Congresswoman Betty McCollum and other dignitaries spent time today at J&J Distributing on Saint Paul's North End observing how some of the \$3.3 million in federal stimulus, state and local assistance are being used. These funds leverage \$8.5 million in total development costs of a proposed three-phase green-energy development.

Phase One uses a \$1.3 million energy conservation loan authorized by the Saint Paul Port Authority through the agency's new Trillion BTU Fund for energy-efficient lighting and installation of three high-tech energy climate systems to replace 44 inefficient refrigeration units. The project will leverage additional rebates from Xcel Energy. A total of \$5.5 million in funding for the Trillion BTU initiative was made possible by grants from the U.S. Department of Energy and MN Department of Commerce through the American Recovery and Reinvestment Act of 2009.

The City of Saint Paul is contributing an additional \$1.5 million made possible by the Minnesota Jobs Bill Tax Increment Financing for a 20,000-square-foot expansion that will include a state of the art cutting room and will add approximately 150 jobs. Finally, J&J will use \$500,000 in Saint Paul Community Development Block Grant Recovery Act (CDBG-R) funds to build an on site greenhouse, which is expected to produce 220,000 pounds of tomatoes and other produce annually.

"J&J Distributing is a shining example of the type of projects we need to invest in to create good jobs in Saint Paul," said Mayor Coleman. "With this initiative we are tapping into a variety of tools to help this company complete their project and in the process, creating jobs and becoming a model of energy efficiency."

"The strength of our nation is tied to the strength of our energy economy," said Klobuchar "This project demonstrates that by investing in energy efficiency projects we can create jobs and, at a

time when millions of families are struggling to make ends meet, these projects will help cut energy costs for families by decreasing the demand for electricity at peak periods of use."

"I'm very excited to see the Recovery Act at work here in St. Paul," said Senator Al Franken. "J&J Distributing is a homegrown business and they'll use this money to create hundreds of new jobs for Minnesotans and to continue to provide quality produce to markets around the state."

"This is a great example of the *Recovery Act* at work in Minnesota," said Congresswoman McCollum. "J&J Distributing, its employees and customers will all benefit from the energy efficiency and cost savings achieved through this project."

"Communities like Saint Paul are leading the transition to clean energy," said U.S. Energy Secretary Steven Chu. "By investing in innovative projects like this new local initiative to install energy efficient improvements in commercial and industrial facilities, Saint Paul is putting people to work, reducing energy use and helping businesses save money."

"I'm thrilled that Saint Paul is helping J&J expand their business. With so many people out of work right now, it's great to see 150 new jobs and 130 construction jobs, especially with a company committed to hiring from the community surrounding the facility," said Ward One Councilmember Melvin Carter.

"This project is exciting because it is the federal stimulus package coming to life for an important Saint Paul business," Saint Paul Port Authority President Louis Jambois said. "By reducing J&J's cost of energy, we are increasing this company's economic competitiveness."

Jim Hannigan, J&J Distributing President and CEO, thanked the City of Saint Paul for their help in making the project possible. "This reinvestment began with the city helping me purchase the property in 2006. Without the assistance of the City of Saint Paul's Department of Planning and Economic Development and the Saint Paul Port Authority, these projects would not move forward. This has been a smooth process and we're honored to serve as a model for business development in the city."

The energy upgrade portion of the project is in the engineering phase and is scheduled to be completed in the spring of 2011. The 20,000 square foot expansion will begin in October 2010. Construction of the greenhouse will begin in the summer of 2011.