

**GUIDE TO**

**MINNESOTA**

*Iron Range  
Resources and  
Rehabilitation  
Board*

*1999*

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November 1998



# **Iron Range Resources and Rehabilitation Board**

WELCOME

- 3 Summary description of agency
- 10 Budget and personnel
- 12 Agency divisions





ARNE H. CARLSON  
GOVERNOR

# STATE OF MINNESOTA

OFFICE OF THE GOVERNOR  
130 STATE CAPITOL  
SAINT PAUL 55155

Dear Commissioner:

Welcome to state government and to the Iron Range Resources and Rehabilitation Board. This briefing book has been assembled to assist the incoming administration during this period of executive branch transition. We hope you will find it valuable.

You will see by the material contained in the attached briefing that the Iron Range Resources and Rehabilitation Board has accomplished much during this important last decade of the century and also that there are many ideas for future service refinements.

Please feel free to call upon the resources of this administration as you begin to familiarize yourself with your new responsibilities.

I wish you much success.

Warmest regards,

A handwritten signature in black ink that reads "Arne H. Carlson".

ARNE H. CARLSON  
Governor



**IRON RANGE RESOURCES &  
REHABILITATION BOARD**

P.O. Box 441, Highway 53 South  
Eveleth, MN 55734-0441



To the Incoming Administration:

Welcome to the Iron Range Resources and Rehabilitation Board. Throughout the last eight years, the agency has formed a variety of partnerships that "work" for northeastern Minnesota. In fact, in 1996, we instituted a formal "Partnerships That Work" program to make a conscious effort to recognize and expand our partnership efforts. Our logo graphically indicates that partnership building has been and will no doubt continue to be an agency priority.

As you read through this briefing book, you may be surprised at the diversity of projects that this agency undertakes. The IRRRB is involved in everything from mining and minerals to golf and skiing. . . from business recruitment to Minnesota Ethnic Days. . . from building demolition to historic preservation. . . from mineland reclamation to information technology. . . from snowmobile trails to tourism promotion. We credit much of our success in all of these areas to the hard work and dedication of our employees and to the many partnerships we have formed.

The agency has indeed accomplished a great deal in the last eight years, but there is still much hard work ahead and many challenges to overcome in diversifying the economy of northeastern Minnesota. From our experience, the rewards of such a lofty task have far outweighed any challenges we faced along the way. Best wishes for many rewarding days at the IRRRB.

Warmest regards,

A handwritten signature in cursive script that reads "Jim Gustafson".

Jim Gustafson  
Commissioner



# Summary

The IRRRB is an agency charged with the economic development and diversification of a region in northeastern Minnesota defined by Minnesota Statute §273.134 as the Taconite Tax Relief Area (TTRA), including all or parts of Cook, Lake, St. Louis, Itasca, Aitkin and Crow Wing Counties. The IRRRB was created in 1941 as part of a legislative compromise to limit ad valorem taxes on mining, and while it was funded from occupation taxes for the first thirty years of its existence, it is now funded from taconite production taxes levied on mining operations in lieu of local property taxes. The agency receives no operational funding from the State General Fund. The production tax essentially replaces the local tax obligations that the taconite producers would otherwise have to local governments. This fact, coupled with the unique problems that confront the TTRA because of the area's dependence on Minnesota's taconite industry and the cyclical nature of the steel industry it serves, are reasons why the legislature has directed the IRRRB to serve the northeastern region of the state.

The IRRRB is headquartered in Eveleth, Minnesota. The agency is directed by a commissioner who is appointed by the governor. The commissioner is advised by a board comprised of five state senators and five state representatives, a majority of whom must come from TTRA districts, as well as the commissioner of the Minnesota Department of Natural Resources.

While economic development of the TTRA through loans and grants to businesses and local governments is the IRRRB's main focus, the agency also owns and operates two tourism facilities, the Giants Ridge Golf & Ski Resort in the Town of White near Biwabik and the

Ironworld complex in Chisholm. Giants Ridge has been a quality alpine and Nordic skiing facility since 1984; however, with the opening of its new 18-hole golf course in June 1997, it became a year round resort. Ironworld is a historical theme park which preserves and celebrates Iron Range history and culture. The complex includes the Iron Range Research and Interpretative Centers, a railroad system, a festival park with a miniature golf course and various other entertainment facilities. Ironworld is also home to the IRRRB's Mineland Reclamation division, which undertakes safety, environmental and economic development projects on abandoned minelands of the pre-taconite era, often in cooperation with adjacent communities. Each year, IRRRB Mineland Reclamation grows and plants 300,000 containerized seedlings on the Mesabi, Vermilion and Cuyuna iron ranges.

The IRRRB also funds tourism promotional activities in cooperation with the Northern Lights Tourism Alliance. The agency constructs and grooms snowmobile and other trails to enhance tourism and quality of life, and operates a Building Demolition program that razes dilapidated structures to make room for new development and enhancement of the local tax base. For the past six years, Commissioner Jim Gustafson has chaired the Governor's Task Force on Mining and Minerals, a group charged with recommending actions that will sustain and enhance the long-term viability of mining in the region and the state. The Task Force has issued reports to the governor and legislature each year since 1993.

In Fiscal Year 1999, the IRRRB Commissioner has proposed a budget of \$371,124,688 to deliver the projects, programs and activities mentioned above. The agency proposes to do so with a budgeted complement of 98 full-time employees as well as a number of temporary and seasonal personnel.



The IRRRB has also assisted the taconite industry, including \$41,654,147 made available since 1993 to the seven Minnesota taconite producers for investments in new equipment, facilities and research through the rebate of production taxes from the Taconite Economic Development Fund (TEDF, Minnesota Statute §298.227). The agency also provided \$32,976,549 in the form of grants and loans through its Taconite Assistance Program and other assistance to taconite producers. This amount includes \$10 million appropriated in 1996 from the 2002 Fund for the Producer Grant Program (Minnesota Statute §298.2961) through which the IRRRB makes grants to the taconite producers to help them undertake environmentally unique reclamation projects or pit or plant expansions or modernizations for other than a value-added iron products plant that extend the life of the plant. In 1997, the legislature redirected a nickel of the 20.4 cents rebated to the taconite producers or approximately \$2 million each year that otherwise would flow to the TEDF, to the IRRRB Producer Grant Program for grants to the companies in 1998 and 1999. 1998 legislation provides for 15.4 cents TEDF and 5 cents producer grant distribution in the year 2000, as well. Over the years 1993-98, the IRRRB has reinvested a total of \$74,630,696 in the Minnesota Taconite industry through these programs.

The following information includes additional detail on the IRRRB Board Members, the Taconite Tax Relief Area, and the IRRRB organization.

## **IRRRB Board Members**

### **Senators**

Senator Doug Johnson (Chair)  
Senator Jerry Janezich  
Senator Robert Lessard  
Senator Don Samuelson  
Senator Sam Solon

### **Representatives**

Representative Irv Anderson (Vice-Chair)  
Representative Tom Bakk  
Representative Tom Rukavina  
Representative Loren Solberg  
Representative David Tomassoni

### **Department of Natural Resources**

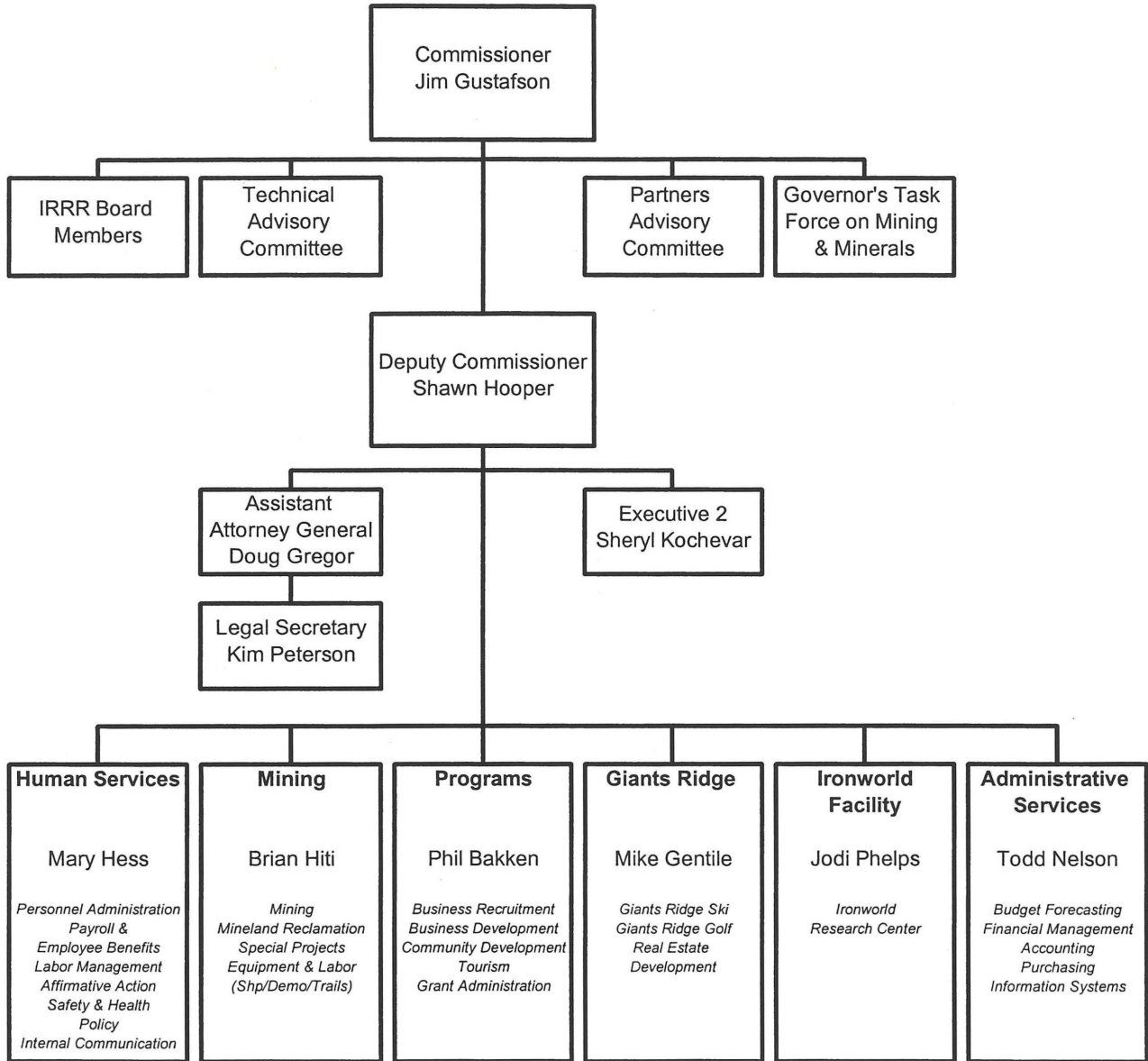
Commissioner Rod Sando



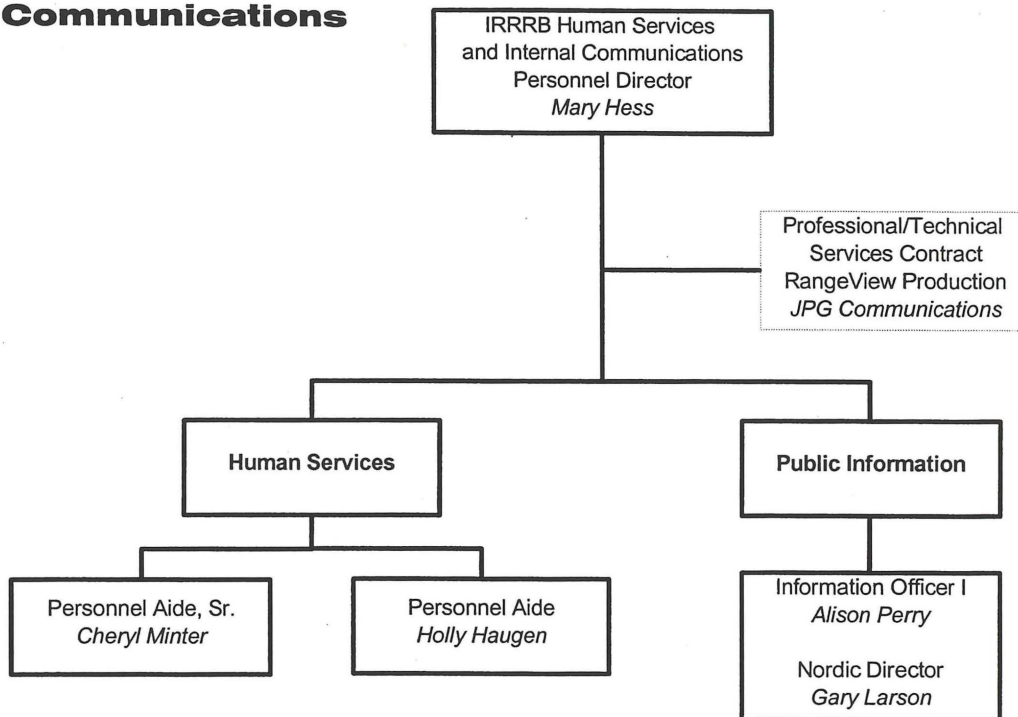


# Organizational Charts

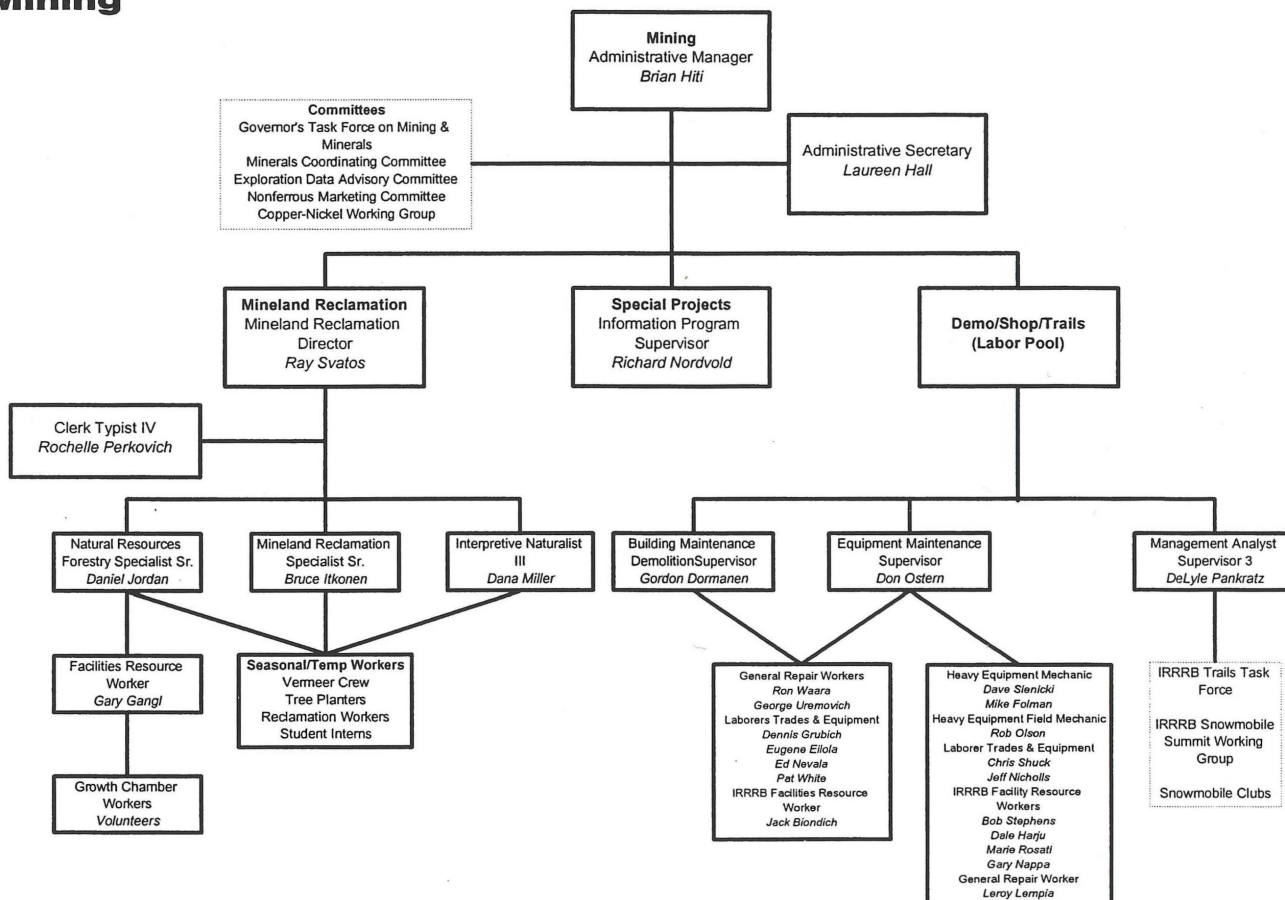
## Agency



# Human Services & Internal Communications

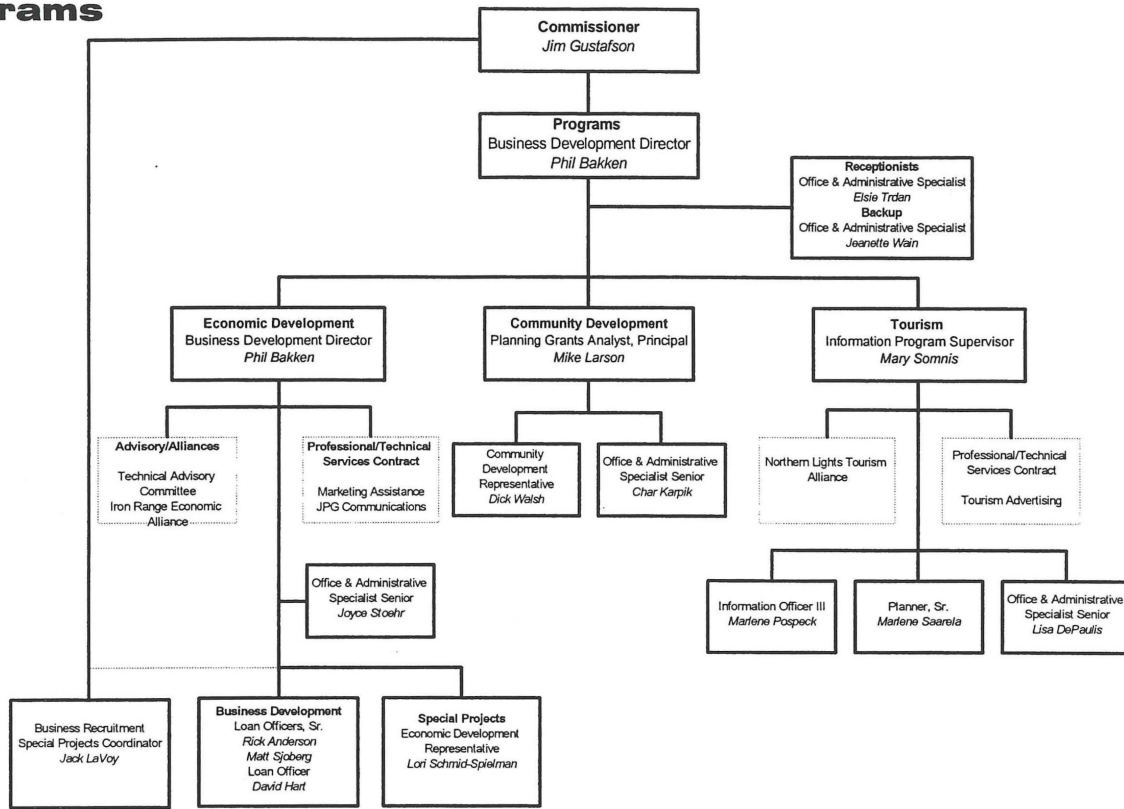


# Mining

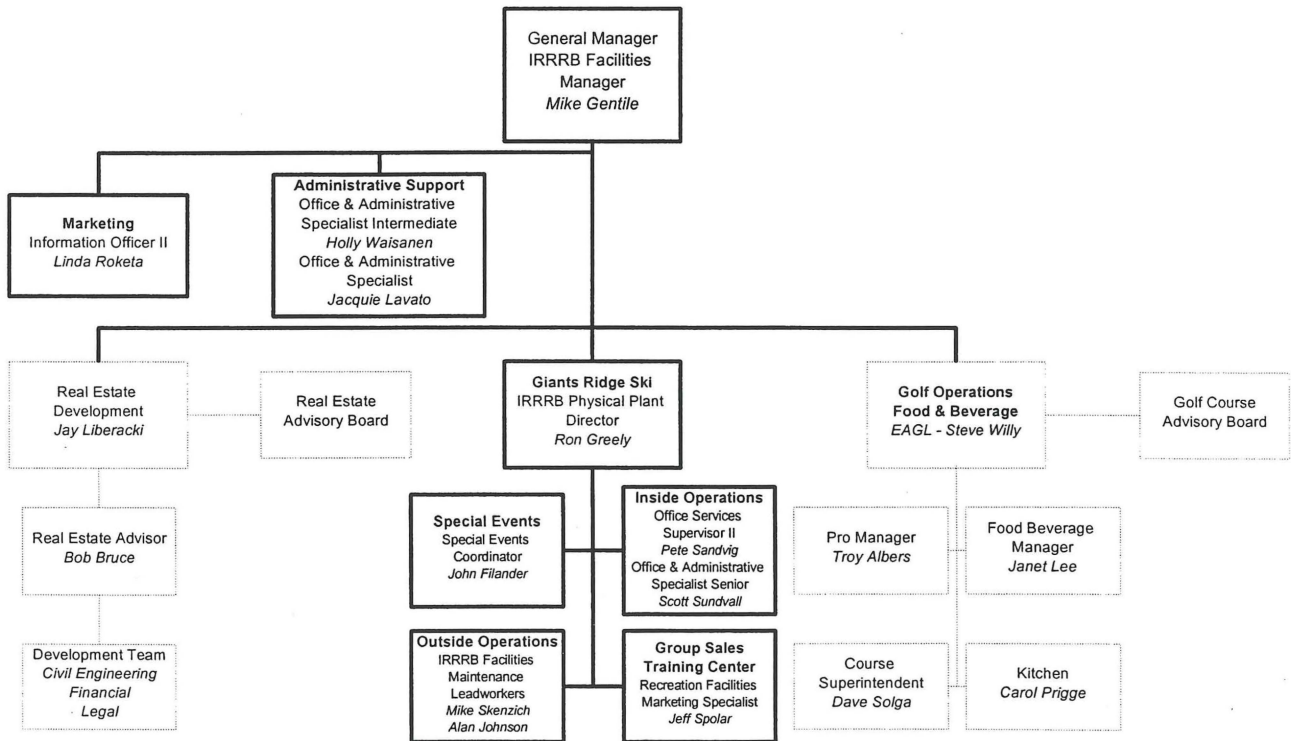




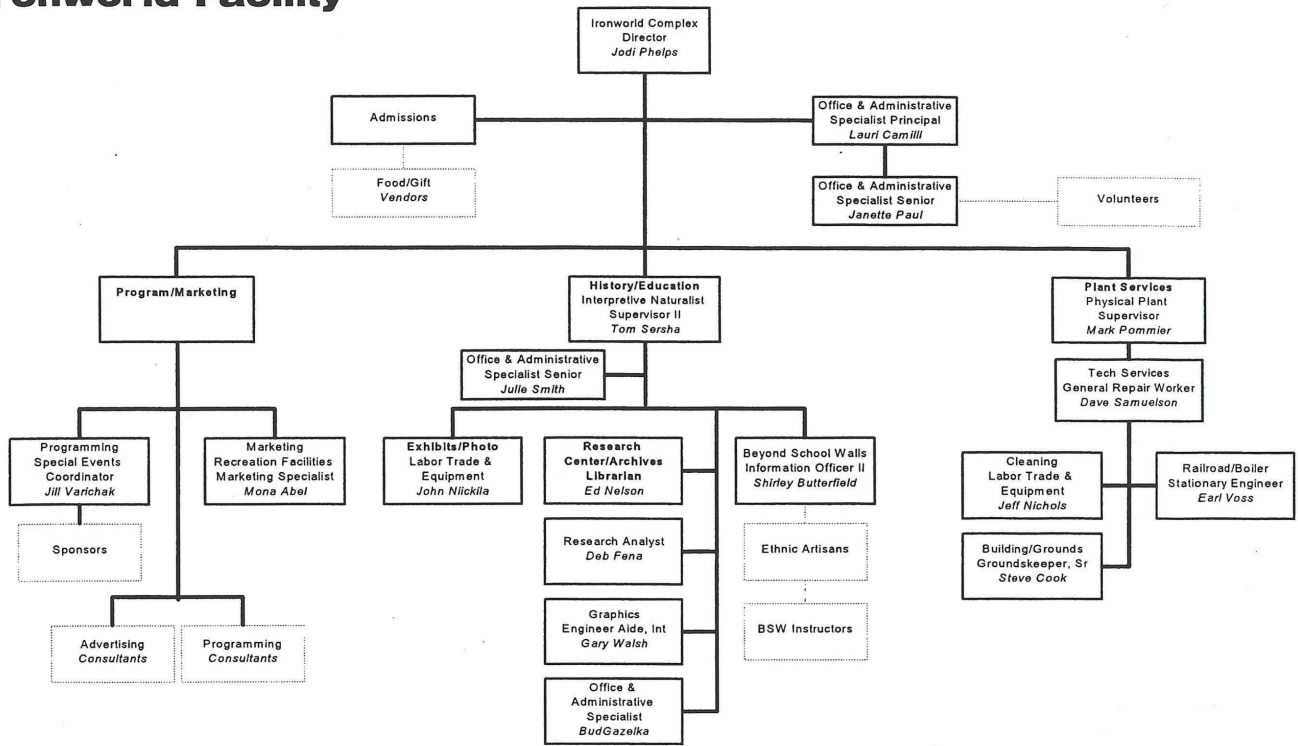
# Programs



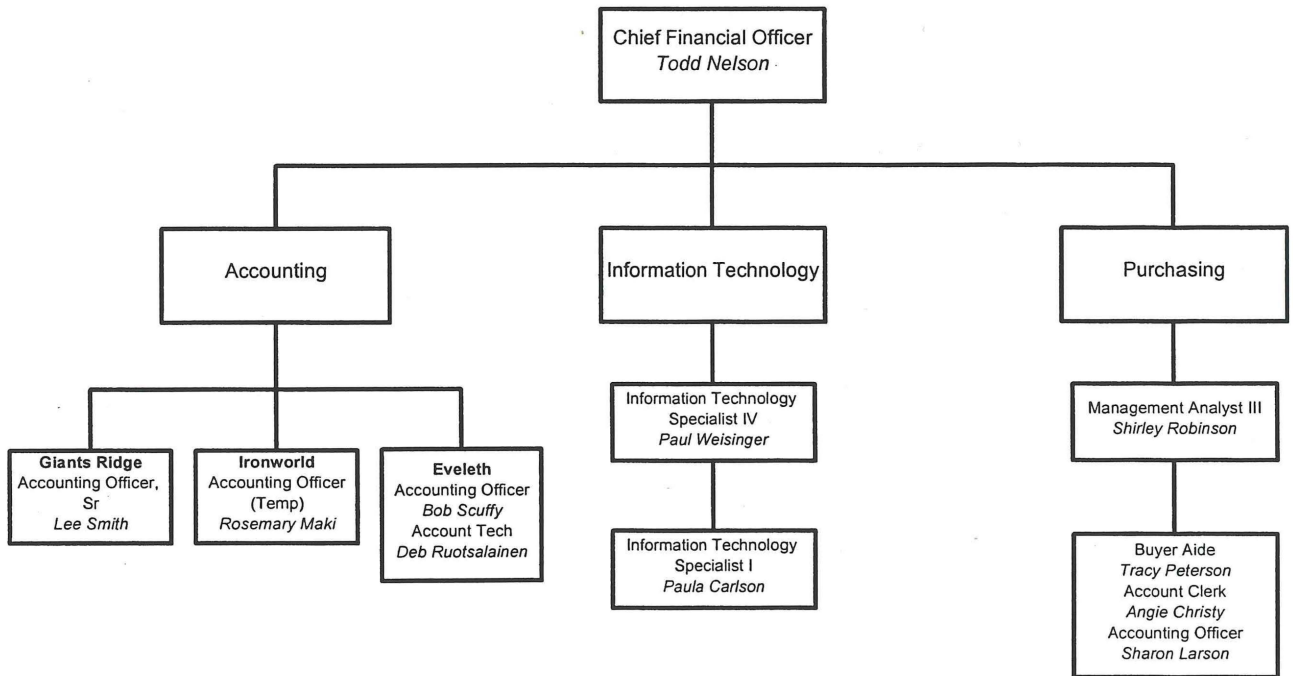
# Giants Ridge



# Ironworld Facility



# Administrative Services





# Budget and personnel

## Budget

The IRRRB is funded by a portion of the taconite production taxes paid by mining companies on each ton of taconite produced. These taxes are paid in lieu of property taxes. As a State of Minnesota agency, the IRRRB acts as a fiscal agent for this money. Unlike other state agencies, the IRRRB receives no basic operational funding from the State's general fund.

Taconite production taxes are based on the level of taconite produced each calendar year and are paid by the mining companies shortly after the end of the calendar year. School districts, cities, townships and counties are the primary recipients of the taconite tax dollars. Once the funds are distributed according to a formula designated in Minnesota Statute §298.28, the IRRRB receives the remaining funds.

## Operational Accounts

Taconite production taxes are the primary source of funding for the IRRRB Board Account and the Taconite Area Environmental Protection Fund (TEPF). Other revenue sources include interest earned on invested cash, admission fees from the agency's tourism facilities, loan repayments, and other miscellaneous revenues.

Interest earnings on invested cash and loan repayments are the primary sources of funding for the Northeast Minnesota Economic Protection Fund (NEPF) account. The agency also administers funds in the Supplemental Tax Account for Koochiching and Carlton Counties. It is funded by occupation taxes according to

Minnesota Statute §298.17. Except for an administrative charge, all funds are disbursed for economic and environmental development projects at the discretion of each county.

## Non-Operational Accounts

The IRRRB administers the corpus of the Northeast Minnesota Economic Trust Funds (the "2002 Fund"). Interest earned on the corpus is credited to the IRRRB Northeast Minnesota Economic Protection Fund for economic development projects. Only the state legislature can authorize appropriations from the corpus. The funds in the Taconite Economic Development Fund (TEDF) are administered by the IRRRB and are rebated to the taconite companies for capital investments.

The following page is an outline of the IRRRB's fiscal year '99 budget.

## Personnel

The IRRRB employs roughly 100 full time and 50 temporary employees. The majority of the temporary employees are student workers and interns. These temporary positions provide the employee an excellent learning experience while simultaneously benefitting the agency.

The organization charts shown on pages 6-9 outlines the personnel breakdown of the agency.

**FY 99 IRRRB BUDGET**  
**(As presented to the IRRR Board on July 2, 1998)**

| <b>SOURCES OF FUNDING</b>                     | <b>All Accounts</b> | <b>Board</b>      | <b>TEPF</b>       | <b>NEPF</b>       | <b>Supp Tax</b> |
|---|---------------------|-------------------|-------------------|-------------------|-----------------|
| Carry Forward & Prior Year Cancellations      | 19,736,914          | 6,165,717         | 4,709,999         | 8,861,198         |                 |
| Taconite Production Taxes                     | 17,886,570          | 4,313,577         | 12,904,541        |                   | 668,452         |
| Interest on Invested Cash                     | 5,439,000           | 775,000           | 1,596,000         | 3,068,000         |                 |
| Payback on Loans & Projects                   | 2,087,000           | 165,000           |                   | 1,922,000         |                 |
| Other Departmental Earnings                   | 4,301,695           | 4,301,695         |                   |                   |                 |
| <b>Total Sources of Funding</b>               | <b>49,451,179</b>   | <b>15,720,989</b> | <b>19,210,540</b> | <b>13,851,198</b> | <b>668,452</b>  |
| <b>BUDGETED USES OF FUNDS</b>                 | <b>All Accounts</b> | <b>Board</b>      | <b>TEPF</b>       | <b>NEPF</b>       | <b>Supp Tax</b> |
| <b>Programs Division</b>                      |                     |                   |                   |                   |                 |
| Business Development Program                  | 12,831,618          |                   |                   | 12,831,618        |                 |
| Community Development Program                 | 8,267,901           | 3,723,449         | 3,890,000         |                   | 654,452         |
| Communications Program                        | 247,069             | 247,069           |                   |                   |                 |
| Tourism Program                               | 1,040,228           |                   | 1,040,228         |                   |                 |
| Research & Planning Program                   | 1,061,668           | 1,061,668         |                   |                   |                 |
| Information Technology Program                | 400,000             | 400,000           |                   |                   |                 |
| <b>Facilities Division</b>                    |                     |                   |                   |                   |                 |
| Giants Ridge Recreational Area Program        | 4,547,709           | 857,788           | 3,689,921         |                   |                 |
| Ironworld Complex Program                     | 2,144,000           |                   | 2,144,000         |                   |                 |
| Mineland Reclamation Program                  | 1,075,088           |                   | 1,075,088         |                   |                 |
| Trails Program                                | 710,854             |                   | 710,854           |                   |                 |
| Building Demolition Program                   | 199,228             |                   | 199,228           |                   |                 |
| Eveleth Maintenance/Shop Program              | 626,348             | 626,348           |                   |                   |                 |
| Facility Improvements Reserve                 | 2,000,000           |                   | 2,000,000         |                   |                 |
| <b>Administrative Services Division</b>       |                     |                   |                   |                   |                 |
| General Support Program                       | 1,400,430           | 1,400,430         |                   |                   |                 |
| Information Systems Program                   | 213,137             | 213,137           |                   |                   |                 |
| Human Resources Program                       | 359,410             |                   | 359,410           |                   |                 |
| Charge back administrative costs to each fund | 0                   | (1,000,000)       | 836,000           | 150,000           | 14,000          |
| <b>Total Budgeted Uses of Funds</b>           | <b>37,124,688</b>   | <b>7,529,889</b>  | <b>15,944,729</b> | <b>12,981,618</b> | <b>668,452</b>  |
|   |                     |                   |                   |                   |                 |
| Carry Fwd Unobligated "Position" to FY 2000   | 12,326,491          | 8,191,100         | 3,265,811         | 869,580           | 0               |



# Agency divisions

## Economic Development Division

The task of the IRRRB Economic Development division is to work with area partners to promote and market northeastern Minnesota, creating new employment opportunities as well as retaining and expanding the current employment levels.

Business recruitment is accomplished through direct mailings, a Web page, leads from a network of experienced business development professionals, and aggressive media campaigns. Business retention and expansion are achieved through careful and diligent analysis of the needs of existing businesses, and being responsive to those needs. Available to businesses located in the TTRA is also marketing research and assistance. Administered by the economic development division, the program offers professional guidance in the areas of market evaluation, product packaging and pricing, advertising strategy, and distribution.

Business development is achieved through the Bank Participation Loan Program, Employment Incentive Grants, Training Grants, and Direct Loans. A total of \$8 million in IRRRB business lending investments leveraged \$19 million in private lending for projects throughout the TTRA during the past biennium. The current loan portfolio consists of 102 loans serviced by three loan officers. There were 2068 jobs created/retained as a result of these agency investments.

The Bank Participation Loan Program, a low interest business financing program available to eligible borrowers, is a partnership with various lending institutions. The IRRRB facilitates the

structuring of financial packages with the involved parties, with the agency buying up to a 50% participation in eligible loans and providing significantly lower cost financing to the borrower. The following types of businesses are eligible: manufacturing/assembly, tourism projects which attract tourism expenditures from outside the region, and technologically innovative industries.

*Minnesota Twist Drill, Inc.*, a subsidiary of Ohio-based Cincinnati Milicron, Inc. added new machinery to their high speed drill bit manufacturing facility in Chisholm, doubling production capacity and creating 50 new jobs with the assistance of a Bank Participation Loan. Employment levels at the facility have grown to approximately 140. The total project cost is \$5 million, and the IRRRB provided a \$1,250,000 participation loan as well as a \$150,000 incentive grant.

*Hedstrom Lumber Company, Inc.*, a third generation sawmill headquartered in Grand Marais, expanded its operations into Two Harbors with the acquisition of the former Midwest Timber Company sawmill. The acquisition retained 50 full and part time jobs in the Two Harbors area. Total project cost is \$500,000, with the IRRRB providing a \$133,333 bank participation loan.

*All Season Vehicles, Inc. (ASV)*, a Grand Rapids-based manufacturer of tracked utility vehicles and snow groomers, was in need of an additional 60,000 square feet of production space to meet the growing demand for its products. The expansion was completed in 1997, with the goal of adding an additional 100 jobs by the year 2000. IRRRB participation of \$650,000 helped to finance a project with a total cost of \$2.5 million.

## **Future Direction**

Infrastructure to develop potential or current businesses in the TTRA has traditionally consisted of sewer, water, and sources of energy. More and more, the emphasis is on *communications*. Advances in the area of high-speed fiber-based communication circuits now allow business to be conducted from remote locations within seconds. A direct loan of \$700,000 has been approved for Minnesota Power to install a high-speed fiber-based communication circuit from Forbes to Ely.

## **Community Development Division**

The purpose of the Community Development Division is to leverage local, state, federal, and private funds to support community development and the economic growth of the region statutorily defined as the Taconite Tax Relief Area. Projects are reviewed as to how well they address the following basis criteria: job creation, leverage from other funding sources, economic impact, relative need, and viability. Consolidation of services and facilities is also encouraged.

The grants division was established in 1977 with the creation of the Taconite Area Environmental Protection Fund. More than \$221 million has been awarded for projects such as water and sewer systems, airports, mineland reclamation, recreation, tourism, housing, industrial parks, business development and community development. Governmental units and nonprofit organizations have used grant funds to leverage more than \$1 billion in other federal, state, local and private money.

During the biennium, the division partnered with more than 40 funding agencies and funded more than \$133 million in projects. For every dollar of IRRRB money spent, eight dollars were spent

from other sources. More than 476 permanent jobs and 851 construction jobs were created.

Grants are also made available through the IRRR Board Account (Minnesota Statute §298.22). This account gives the commissioner statutory authority to fund projects which aid in the relief of distress and unemployment due to the reduction or limited use of natural resources. These funds are limited to eligible projects located within, or for the benefit of, the TTRA.

Project profiles are accepted each year between January 1 and April 15. After staff review, those selected for further consideration are asked to submit formal applications prior to July 1. In September, the commissioner presents a list of projects to the IRRR Board for approval. They are sent to the governor for final approval.

## **New Community Development Programs**

### **Industrial Park Program**

More than seven new industrial parks have been established, which house more than 10 new businesses. This has created jobs for 159 new employees and a 10 million dollars, new tax value.

### **Housing Program**

Since the program's inception in 1995, the IRRRB has invested \$5.2 million in regional housing projects in 21 communities. During the past three years, the Housing Grants Program has jump-started 680 housing units, with a total market value of \$59 million.

### **Physicians Recruitment Program**

Over twenty new doctors, physicians' assistants and nurse practitioners have moved into the TTRA area.



## **Summer Youth Program**

Over 150 youths are hired during the summer months.

## **Application Fund Program**

Over 15 cities access the program and over 50% of the projects received Federal or State funding in excess of 5 million dollars.

## **Financial Resource Guide**

Only one of its kind, resource book includes hundreds of agencies categorized in fifteen different areas, from business development to waste-treatment.

## **Seminars**

At least two seminars per year are held relating to financing and long-range planning.

## **Long-Range Plans**

Providing assistance to a number of communities in "Long Range Planning."

## **Technology Committee**

This committee is responsible for the high-tech infrastructure in the TTRA.

## **Grants Database**

A tracking system dating back to 1977 for every grant given away has been developed.

## **Building Demolition Division**

The IRRRB's building demolition program was created in 1972 to assist local units of government and private citizens by removing dilapidated, unwanted, and hazardous structures in a safe and

timely manner. This service is provided for free, however, the owners are responsible for a building inspection and the tipping fees incurred. The removal of these eyesores and health hazards provides for a cleaner environment and makes room for new construction.

The demolition program received certificates of commendation in 1997 and 1998 from Governor Carlson in recognition of its partnership efforts. This activity has formed partnerships with the University of Minnesota Natural Resources Research Institute in the demolition of several structures on their Coleraine property. Also, partnerships have been formed with the St. Louis County Regional Rail Authority in supporting completion of the Mesabi Trail, and the IRRRB's Mineland Reclamation division in support of the Industrial Park expansion at Ironton as well as tree planting and fire-breaks. 365 structures were removed during the past biennium bringing the total to 6,045 structures since 1972 when the program began.

With the environmental concerns associated with building demolition escalating at the federal, state, and county level, we must continually remain informed of these changing regulations.

## **Tourism Planning and Development Division**

The Tourism Planning and Development Division assists tourism development and promotion for six subregions in the TTRA. Aided by a citizens advisory group called the Northern Lights Tourism Alliance (NLTA), the division works to promote the area of northeastern Minnesota known as the "Wild North." This area includes all of Cook and Lake Counties, and parts of St. Louis, Koochiching, Itasca, Aitkin, and Crow Wing Counties.



## **Marketing & Advertising**

Over the past two years, the NLTA has continued its highly successful "Wild North" advertising campaign. In addition to print advertising, this campaign includes market research, public relations, and production of collateral materials including the *Wild North Discovery Guide*. The success of the direct advertising program is exemplified in the fact that every dollar invested by the NLTA produced a return of \$149 dollars of economic impact to the area.

## **Wild North Heritage Tourism Program**

A major thrust of the organization during the biennium has been the development and implementation of the Wild North Heritage Tourism Program. According to the Travel Industry Association of America, visiting historic sites traditionally ranks among the top five activities of travelers. Additionally, each heritage traveler spends approximately \$195 more per trip than other tourists. Since every community has a unique story to tell, each one's history becomes the basis for attracting visitors and the dollars they bring.

After determining the heritage assets in the region with the highest potential to draw tourists, the NLTA initiated a signage program in an effort to establish heritage tour routes. By October 1998, a total of 51 sites will be distinctively marked as Wild North Heritage Sites. A four-color brochure has been developed to further assist heritage travelers in discovering the historic treasures of the Wild North. In addition to assisting travelers, this signage program will also help educate residents of the area, as the NLTA also realizes the importance of providing educational opportunities through various conferences and workshops.

## **Septic System Program**

The strong partnership created by the IRRRB/NLTA and public and private entities to help solve the wastewater treatment crisis in northeastern Minnesota has introduced numerous alternative technologies into our area. The IRRRB/NLTA septic system program was initiated in 1994 to help find innovative and affordable solutions for resort operators who need to replace their systems and meet state standards. Burntside Lodge on Burntside Lake and Dodge's Log Lodges on the North Shore are now operating successfully under this program after two seasons. Other alternative sewage systems are being tested by the Natural Resources Research Institute (NRRI) at the Northeast Regional Correction Center in Duluth through LCMR, Minnesota Pollution Control Agency (MPCA), MTI, St. Louis County, and 48 other cooperators as a direct result of the septic system program.

These alternative technologies have also been applied to the residential sector and the replacement of the IRRRB's septic system is scheduled for the fall of 1998. This system will test the rejuvenation of the seepage bed and the advantages of pre-treating wastewater before it is dispersed into the ground.

Several workshops on alternative technologies have been held and a statewide wastewater treatment conference is being planned for January 1999, in conjunction with the Minnesota Onsite Sewage Treatment Contractors Association (MOSTCA). Further research, education, and funding for affordable and successful wastewater treatment solutions will significantly insure a strong infrastructure for business retention and development in our area.

The IRRRB's Tourism Planning and Development Division will continue to focus on encouraging collaborative planning, developing area-wide marketing themes, organizing local

initiatives, and providing educational opportunities.

## **Giants Ridge Golf & Ski Resort**

With the completion of a 18-hole championship golf course in June 1997, Giants Ridge has become a year-round resort destination.

### **Golf**

The golf course, designed by internationally known golf course architect Jeffrey Brauer and PGA pro Lanny Wadkins, has brought thousands of tourists to northeastern Minnesota from as far away as Texas. The \$6 million course features some of northeastern Minnesota's breathtaking views. It is nestled in the Superior National Forest and many of the holes are surrounded by natural water hazards-Wynne Lake and Sabin Lake. Twenty-two thousand rounds of golf were played at Giants Ridge in 1997 alone.

1997's grand opening featured a celebrity skins game played by Wadkins, National hockey League star Brett Hull, *ESPN* commentator and former PGA Pro Robert Wrenn and PGA Pro Craig Stadler. The skins game netted \$9,000 for charities.

This year, nearly 22,343 rounds were played on the course, proving that Giants Ridge has played an important role in the economy of northeastern Minnesota. Giants Ridge has been featured in publications such as Northwest Airlines *World Traveler* and *Golf* magazine and will appear in Sports Illustrated's *1999 Golf Course of the World* desk calendar.

The course, which is managed by *Evergreen Alliance Golf Limited* (EAGL), will be rated among the top golf courses in the nation in a full issue of *Golf Digest* magazine.

## **Skiing & Snowboarding**

Giants Ridge has also expanded on the ski slopes. In 1996, 10 runs were created with the completion of the North Face. A triple chairlift which cost \$375,000 was erected after the expansion of the hill in an effort to transport more skiers in a more efficient manner.

10 kilometers of cross country trails were added with the completion of the golf course. This provided both beginner and intermediate skiers with some of the best nordic terrain in the Midwest.

In March 1997, Giants Ridge played host to the USSA Junior Olympics. This week long event drew 405 competitors from eight regions within the United States. Giants Ridge is looking at hosting this event again in the year 2000.

The Minnesota State High School League Cross Country Skiing Championships have been held at Giants Ridge for several years. More than 200 students from across the state compete in this event.

Snowboarders from across the region have continued to enjoy some of the finest half-pipes in the Midwest delivering more skiers and more revenue to Giants Ridge and northeastern Minnesota.

### **Other Activities**

The Special Olympic Winter Games returned to Giants Ridge in 1998 with more than 250 participants. In February 1999, Giants Ridge will host the games once again.

During the summer months at Giants Ridge, guests not only enjoy golfing but many other activities. While staying at Giants Ridge or at the Laurentian Resort (near Giants Ridge), outdoor enthusiasts can rent pontoons, kayaks, fishing



boats, canoes, rollerblades, mountain bikes and much more at the rental shop.

For the past five years, the Doug Woog Hockey Camp has been held at Giants Ridge. As the host of this camp, Giants Ridge has accommodated up to 110 campers plus the coaching staff during each week-long session which runs for a total of six weeks.

## **Conferencing and Large Events**

Giants Ridge has played host for meetings, conferences and weddings. Complete conference facilities are available for meetings from 5 to 400 people. Giants Ridge has a reception capacity of 300 and also offers banquet seating for up to 350 people. Large events such as these have added to the year-round resort that it has become. Giants Ridge will focus on conferencing to fill the "shoulder" season.

## **Real Estate Development**

Giants Ridge has teamed up with Culbert Realty, a local real estate agency, to create single-family home lots adjacent to the golf course at Giants Ridge. *The Woodlands of Giants Ridge* range in size from two-thirds of an acre to more than one acre. Prospective homeowners will have access to a common dock on Wynne Lake and will be near to the trails within Giants Ridge and adjacent forests.

Giants Ridge continues ongoing discussions to create a 90-room hotel representing the first construction stages of the full resort plan. Discussion continues with prospective developers to establish a hotel that would be located at Giants Ridge.

## **Economic Impact**

Giants Ridge activities account for 100-150 full and part-time jobs right at Giants Ridge. The activity at Giants Ridge has helped the surrounding communities through the development of projects like the *Biwabik Lodge, Laurentian Villas and Condominiums, the Country Inn and Suites* as well as the renovation of downtown Biwabik.

## **Ironworld Discovery Center**

### **Overall Complex**

Ironworld Discovery Center underwent many significant changes during the past biennium in an effort to redirect the programming and activities back to the original mission of preserving, protecting and promoting the history and heritage of northeastern Minnesota.

The first of these changes began to occur during the 1997 season. More emphasis was placed on the history and heritage components of the facility, both in programming and in marketing. The idea was to provide visitors with a full experience on a daily basis, and then add a few special events throughout the summer rather than just focusing on special events all summer. More living history areas were scheduled daily. And a new in-house performing Heritage Company was formed to provide several daily shows. The marketing message was significantly changed to match the product.

Special attention was given to the special events. Since we were doing fewer of them, the criteria to select them included 1) that they fit Ironworld's mission, or 2) that they had potential to break-even or better. The list of special events for both the 1997 and 1998 seasons included:



International PolkaFest, All Slav Day, Festa Italiana, Festival Finlandia, Scandinavian Holiday and International Buttonbox Festival. Blues on the Range was also held both years. But in 1998, Bayfront Blues leased the facility and produced the event. Because of the success of this arrangement, more effort will be made to a similar arrangement for a Kidsfest which was held in 1997, but dropped in 1998, and a new Folklife Festival which was added to the Buttonbox Festival in 1998.

Pellet Pete's Mini-Golf Course was completed at the end of the 1996 season. It has been a welcome addition for children of all ages. The 19-hole, state-of-the-art course is themed to tell the stages of the mining process from exploration to shipping.

Attendance for the past two seasons was greatly reduced from previous years because of the changes in programming. However, the attendance levels are comparable with other heritage and cultural attractions in the region. If history and heritage continue to be the mission, and efforts to reduce the subsidy continue, it appears that the attendance is where it should be.

As a 20-year-old facility, a minor facelift was needed during this biennium. The list of projects included:

1. Reconstructing the pond system to repair the major leaks which had been occurring for more than a decade. Pipes were placed above ground so water flow could be monitored more easily and leaks could easily be identified.
2. Sandblasting and painting of numerous pieces of mining equipment on display at Mesaba Junction, resulting in a more colorful and realistic presentation to our visitors.
3. Relocating the Gift Shop to a new area of the Admissions building, resulted in more of a store

atmosphere. The gift shop was managed by Irma's Finland House of Virginia, Minnesota.

4. "Mudjacking" the massive square footage of concrete throughout the Ironworld complex was needed to repair major trip hazards which had formed as a result of shifting due to frost and settling.
5. Replacing air-conditioning compressors, motors, and other equipment that had deteriorated or no longer functioned.
6. Improving and repairing Ironworld's trolley system, which is an integral part of our visitors' experience, was needed to improve the safety of our trolleys and rail systems. Obsolete and problematic electrical equipment has been removed and upgraded to current standards and codes, trolley wheels and bearing systems as well as the tracks were repaired.
7. Painting the admissions building.
8. Adding power feeds to our outdoor living history areas greatly enhanced the ability of our ethnic artisans to provide a better experience for our visitors.
9. Repairing major leaks in the archives of the Iron Range Research Center and the Ethnic Arts Center.

## **Iron Range Research & Interpretive Centers**

People need to have a sense of home, a place where they can trace their roots back to. Ironworld's Iron Range Research & Interpretive Centers is a place that collects, preserves and showcases the history of Minnesota Iron Ranges for the people who call this region home. With a renewed focus on the original mission of Ironworld, the resources of the Iron Range Research & Interpretive Centers are even more

important than ever before. The Research Center library and archival facility houses an extensive collection of genealogical and local history resources. People who trace their history to the Midwest use the census, naturalization and passenger arrival records to find ancestral connections. The Latter-day Saints Family Search computer program, purchased for the center by the Range Genealogical Society, accesses hundreds of millions of names from around the world.

The Research Center, open year-round, has a strong partnership with the Range Genealogical Society. The society, which is the oldest genealogical society in Minnesota (1968), purchases resource materials for the library and its members donate thousands of volunteer hours annually. In 1997, the society was particularly successful in securing grant funds from Broderbund Software, the Minnesota Historical Society and the Chisholm Foundation. Society dues and grant funds are used to augment and leverage the History Division's collections budget. This partnership has built an especially strong collection of naturalization records and is beginning to acquire the Minnesota Public Safety Commission's 1918 Alien Registration microfilm for the entire State of Minnesota.

A newly created historical interpretation area, the Sami Camp, was gradually created over the past two years. Ilimari Mattus came from Finland to construct an authentic "goahti", a wood and sod house used by the Lapland people, a food storage area. Interpreters were also added in the Hall of Geology over the past two seasons.

The Range Fiber Arts Guild has been an effective partner in assembling one of the largest collections of working glooms in the United States. Now located in the glass corridor between the Research Center and the Interpretive Center, the weavers continue to be a cornerstone of the Beyond School Walls program.

The Beyond School Walls program was recently awarded a grant from the Minnesota Department of Children, Families and Learning to develop a comprehensive program to assist schools in providing unique learning opportunities under the new graduation rule requirements. By making connections between the student's personal history and history in general, its goal is to make the study of history personal and fun. The students will acquire valuable life skills including learning research techniques, interviewing oral histories, writing and communications.

Partnerships with other agencies and organizations has enabled the History Division to continue to take history out to the people. During the past year, the exhibit staff worked with United States Steel in researching, designing and fabricating a major interpretive exhibit for the lobby of the Administrative Building at the Minntac Mine in Mountain Iron. Drawing from the extensive photo and manuscript collection donated by US Steel to the Research Center archives, the exhibit highlights the history of the largest mining company on Minnesota's Mesabi Iron Range.

A long-standing partnership with the St. Louis County Historical Society resulted in a successful exhibit on Father Frederick Braga, the "Snowshoe Priest" from Slovenia who ministered to the Ojibwa people in the Great Lakes area long before the discovery and development of iron ore mining and European settlement.

## **TRAILS**

The IRRRB Trails Division is dedicated to serving local clubs and volunteer organizations in the promotion, development, and maintenance of recreational trails in an effort to help diversify the economy of the TTRA. To help facilitate recreational trail users' leisure experience, there



are a diverse and innumerable number of miles of recreational trails throughout the service area.

Volunteer organizations provide the backbone of winter recreational snowmobile trails. The balance of the other trails in our service area are more dependent on government. The division develops partnerships unique to the varied needs of the recreational trail types. Assistance provided includes technical and nontechnical along with project monies. An important component is the promotion of recreational trails.

During the past biennium, the agency hosted *Snowmobile Summit '97*. This intense, one-day summit was designed to bring together more than 50 key leaders from the snowmobile and business communities to share ideas and opinions on issues facing the volunteer organizations in their development and maintenance of recreational snowmobile trails. The group identified a large number of issues needing to be addressed. Upon reviewing the many issues, Commissioner Gustafson established a post-summit work group. The group is charged with the responsibility of categorizing and identifying those issues for which there could be a solution. This activity will help guide the division in the future.

The Trails Division also sponsors and assists with special events, including Northeast Minnesota's largest attended snowmobile event, the Iron Range Grass Drags held in Eveleth. Winter activities include the sponsorship of the K-C Pro Nationals held in Chisholm along with assisting in other "in season" events. The division also continues to provide grooming services to the ten area snowmobile clubs. Winter trail grooming involves maintaining over 450 miles of snowmobile trails.

## **Mining Initiatives**

Taconite companies provide more than 6,000 high-paying jobs in northeastern Minnesota, forming the backbone of the regional economy. In addition, other spin-off industries that do business with the taconite companies supply a significant number of jobs. All told, more than 20,000 Minnesota jobs depend on the state's iron mining industry.

The taconite companies also pay production taxes levied in lieu of property taxes which buy down property taxes paid by homeowners residing within the Taconite Tax Relief Area (TTRA) and support public services provided by various levels of government, including the IRRRB. In 1997, the agency received approximately \$22.3 million, or 25 percent, of the \$90.5 million in taconite production taxes paid.

Part of the IRRRB's mission is to lessen the area's dependence on mining by helping to diversify the economy, but the agency also recognizes the importance of keeping the taconite industry strong, thereby retaining its great economic impact well into the future. In 1994-95 through its Taconite Assistance Program, the IRRRB made \$2 million grants to each of the seven Minnesota taconite companies for new equipment and facility improvements that enhanced the long-term viability of the plants. Special assistance has also been provided, such as the \$6 million IRRRB loan to National Steel Pellet Company, part of a \$25 million incentive package provided by the state of Minnesota and other stakeholders that helped National's taconite plant near Keewatin reopen in 1994 following a one-year closure. The agency also awarded a \$500,000 energy improvements grant to EVTAC Mining in 1995. Ongoing agency mining initiatives include the Taconite Economic Development Fund, the IRRRB Producer Grant Program, the Governor's Task Force on Mining and Minerals and various



nonferrous initiatives that came from and to the Task Force.

### **Taconite Economic Development Fund**

In 1992, the Minnesota Legislature established the Taconite Economic Development Fund (TEDF) to encourage the taconite companies to make capital investments in their plants. Under current law, 15.4 cents of the \$2.14 tax paid per ton of taconite pellets produced is set aside in a special account administered by the IRRRB to be rebated to each company for projects approved by a joint committee of the salaried and hourly employees of each plant. This rebate, commonly referred to as the investment tax credit, is statutorily authorized through production year 1999. Since 1993, \$41.7 million has been made available for taconite equipment and plant improvements through the TEDF.

### **IRRRB Producer Grant Program**

The 1996 Minnesota Legislature appropriated \$10 million from the Northeast Minnesota Economic Protection Fund, or 2002 Fund, for grants to the taconite producers for environmentally unique reclamation projects or pit or plant expansions or modernizations other than for a value-added iron products plant that extend the life of the operation. Guidelines were established for the program that distributed the money to the companies in proportion to each company's respective share of total production and mandated that the projects funded must be approved by the same joint committee specified by the TEDF legislation.

In order to receive a grant, each company must provide land or other items of consideration, commonly referred to as "equity," valued at 15% of the amount of the grant. Over 2,750 acres of land were conveyed to TTRA communities and

the IRRRB during the first round of the program-- for economic and community development, new housing, recreation and other public purposes.

In 1997, the Legislature changed the funding base for the Producer Grants from a special appropriation to an annual distribution of 5 cents per ton from the production tax each company pays over the next three years, an industry-wide total of approximately \$2.2 million each year, 1997-99. The 15.4 cent TEDF distribution and the 5 cent Producer Grant together provide a 20.4 cent rebate to the taconite producers annually through production year 1999 for capital improvements.

### **Governor's Task Force on Mining and Minerals**

This task force, created by Governor Arne Carlson in 1993, is comprised of representatives from the taconite and nonferrous industries, state agencies, educational institutions, local governments, environmental advocates, and the United Steelworkers of America. Chaired by IRRRB Commissioner Jim Gustafson, the Task Force makes recommendations to the Governor and Legislature regarding state policy related to mining, including taxation, royalties, regulations, environmental issues and research. It has issued reports in each of the past six years, and these recommendations have helped shape legislation that supports the mining industry, including tax and other incentives designed to support the existing industry, as well as to encourage the development of value-added products such as direct reduced iron (DRI) or a nonferrous mine or processing plant.

### **Nonferrous Initiatives**

In 1996, the IRRRB, the Minnesota Exploration Association and the Minerals Coordinating Committee cosponsored an Exploration

Symposium which brought together representatives from exploration companies, state agencies, educational institutions and other stakeholders to discuss what should be done to promote the exploration and development of Minnesota's nonferrous resources. The recommendations which follow were submitted to the Governor's Task Force and Mining and Minerals, which ultimately included them in their report to the Governor and Legislature:

- ***industry should be involved in the selection, development and peer review of publicly funded projects aimed at enhancing the opportunity for mineral development in the state***

In response to the above recommendation from the Task Force, the 1998 Legislature expanded the membership of the Minerals Coordinating Committee, which helps to direct state minerals research funding and projects, to include one representative from each of the taconite, nonferrous and industrial minerals industries, as well as the Commissioner of the IRRRB and the District 11 Director of the United Steelworkers of America.

- ***the exploration data at the Hibbing Office of the Minnesota Department of Natural Resources Minerals Division should be put in a user friendly form***

The IRRRB, DNR Minerals Division and the Minnesota Exploration Association co-convened an exploration data advisory committee comprised of nine subject experts from the nonferrous exploration community, two geologic researchers from the University of Minnesota and three representatives from mineral-related state agencies. With assistance from a private consultant, this group has helped the DNR begin to reorganize the state's exploration data so that it is more accessible and easier to use. By fall of 1998, the DNR hopes to have a comprehensive, digital index of the state's most significant

exploration data. DNR and other agencies also will continue to work on making various elements of the data, itself, electronically available.

- ***incentive programs should be developed for nonferrous minerals exploration which would increase the probability of developing a new mineral industry in Minnesota***

The IRRRB established a drilling incentive grant program which provides matching funds to exploration companies for exploratory drilling in the TTRA. IRRRB DIG grants provide up to 40% of direct drilling costs, not to exceed a maximum of \$20,000 per drill hole, to companies certified as eligible for the leasing of state mineral rights by DNR Minerals. To date, three DIG grants totaling approximately \$30,000 have been awarded.

- ***exploration in Minnesota should be promoted to a targeted audience of exploration companies***

The IRRRB and DNR Minerals, working with the University of Minnesota's Natural Resources Research Institute and the Minnesota Geological Survey, along with the Minnesota Exploration Association and the Iron Mining Association, cosponsored a special edition of the *Mining Journal*, a worldwide minerals publication. In February 1998, a 16-page Minnesota supplement featuring Minnesota's geology and other attributes was mailed to more than 5,000 subscribers in 130 countries. Many of these subscribers own or work for minerals exploration companies, and it's hoped that this special mailing will encourage them to consider opportunities that may await them in Minnesota.

Following the *Mining Journal* mailing, IRRRB and DNR staff attended the March 1998 Prospectors and Developers Association of Canada International Convention & Trade Show in Toronto. This convention is one of the world's



top mineral exploration, investment, financing and technology conferences and attracted over 7,000 delegates, exhibitors and guests in 1998.

Minnesota representatives hosted a booth which featured the *Mining Journal* story of potential nonferrous mineral opportunities here.

As a follow-up to both of these efforts, the IRRRB worked with the same consortium of partners and stakeholders to sponsor Minnesota Exploration Conference 98. The conference provided presentations on Duluth Complex geology, with field trips to deposits with good economic potential, and provided an excellent opportunity to promote Minnesota minerals other than iron to exploration company representatives face-to-face.

## **Mineland Reclamation**

The Iron Range shipped its first tonnage of iron ore to eastern steel mills from the Soudan mine on the Vermilion Iron Range in 1884. A short time later, the Mesabi and the Cuyuna Ranges began shipments. Over the course of a century, more than three billion tons of ore have fueled America's desire for steel and its products. A like tonnage of waste rock and substandard iron ore have been left behind in "dumps." More earth has been moved from one place to another on the Iron Range than any place on earth. The residue of this activity, deep, water-filled pits, underground mine shafts and man-made mountains of lean ore and overburden, form the landscape of the Iron Range today.

The Mineland Reclamation Division was formed in 1978 as part of a major revamping of the iron ore tax laws. The new statutes gave the division responsibility for the "reclamation, restoration or reforestation of minelands not otherwise provided for by state law." In a practical sense, this means lands influenced by mining, and now owned by

the state, a county or other unit of government due to abandonment and tax forfeiture.

The division's first and continuing priority is safety. Unsafe abandoned mine sites have been fenced, protective berms of earth constructed, pit walls sloped and shaped, vegetation and trees planted to reduce erosion and open mine shafts filled or "capped" with gravel, concrete and recently with polyurethane foam.

Since its inception, the division has planted trees on publicly owned mine lands. Several million seedlings, grown in the division's growth chamber, are greening the once brownish-red mining areas from Ely to Crosby-Ironton. Mineland Reclamation has also worked closely with civic groups, organizations, municipalities and townships, schools and private industry to assist with tree planting projects across the Iron Range.

Partnerships form an important part of Mineland Reclamation Division activities. In times of declining revenue joint projects accomplish objectives individual organizations cannot. One ongoing public-private partnership seeks to develop a disease resistant species of white pine and return this majestic tree to northeastern Minnesota. This biennium, the Minnesota Department of Natural Resources (DNR), contracted with the division to grow superior seedlings for DNR planting projects with the Taconite Tax Relief Area. Mineland Reclamation has worked jointly with cities, schools, mining companies, state agencies, several counties, and other organizations. Additionally, division funds have been used to match federal and state money as part of larger projects.

Over the past twenty years, the Mineland Reclamation Division has influenced and improved the quality of life for northeastern Minnesota residents and visitors in a multitude of ways. The division has constructed numerous



public accesses and recreation areas at "pit-lakes," stocked fish, reclaimed mine sites for industrial and residential development, provided historical signage, fostered wildlife habitat and nesting sites, monitored and improved water quality, conducted an annual Arbor Day Fair for area schoolchildren and worked jointly with clients on cost effective projects and programs designed for the long-range benefit of the region.

## **Administrative Services**

The Administrative Services Division provides agency management, accounting, purchasing, human resources, and information systems support to all divisions of the IRRRB. By internally supplying these human and technical resources to agency activities and programs, the IRRRB is able to better serve its customers and clients.

The current level of local purchases and contract authority allows the agency to better manage its resources in the procurement of supplies, materials, equipment and services from vendors and contractors.

The agency continues to upgrade its information systems in an effort to keep pace with changing technology. A wide area network links facilities in Chisholm, Biwabik, and Eveleth. The agency has an Internet presence at all three locations allowing global access to information and services. The agency address is <[www.irrrb.org](http://www.irrrb.org)>

## **Human Resources**

The IRRRB's Human Resource Division serves roughly 100 full time and 50 temporary employees. The majority of the temporary employees are student workers and interns. These temporary positions provide the employee an

excellent learning experience while simultaneously benefitting the agency.

Human Resource staff members advise and consult with management on human resource issues, handle payroll and employee benefits, employee health and safety, administer labor agreements, maintain an affirmative action plan, ensure equal employment opportunity, facilitate employee recruitment, selection, placement, and training, and maintain personnel records.

## **Administrative Support Functions**

Previously, all agency administrative support staff functioned as a committee performing various tasks and making recommendations. In the past year, smaller administrative support committees have been utilized in various capacities to review and make recommendations related to office functions, customer service, purchase of office equipment, improved communication systems, and computer training. Input from the entire administrative support staff is encouraged to continuously update the Agency Office Procedures Manual.

## **Employee Performance and Recognition**

Several vehicles are in place to recognize and reward employees for their contributions both in and out of the workplace. Performance management components have been aligned to the continually updated business plans of the individual divisions. This typically includes an Executive Committee that reviews the candidates and then makes recommendations to the Commissioner, who then makes a final decision. There is also an Employee Recognition Committee that has restructured the Shining Star Program in the past year. This semiannual award honors individual employees or teams nominated by their peers for excellence in performance, technical expertise, heroism, or community

service. Award recipients for the past two years are: Tracy Peterson, Don Ostern and Shop Employees, Gary Walsh, and Alison Perry and Holly Haugen.

### **Health Promotion Committee**

The IRRRB Health Promotion Committee is very active in sponsoring health fairs, flu shot clinics, and various themed exercise and nutritional programs throughout the year. The committee has organized employee teams to participate in walkathons for Multiple Sclerosis, Alzheimers Disease, and cancer just to name a few.

### **Heavy Equipment Committee**

Those who directly supervise heavy equipment operations comprise this committee. Both supervisors and employees benefit from a manual that defines policies and procedures. A stronger emphasis is being place on structured training on all equipment and not just that which offers pay differential.

### **Safety Committee**

The Safety Committee has organized and redefined its function. This past year, the agency hired an intern, majoring in industrial safety to assist with committee restructuring and developing and implementing safety policy, procedure, and practice. The student was assigned to update agency "Right to Know" information and assist in developing an Agency Site Inspection Checklist.

### **Employee Education and Training**

In the past two years, courses have been offered to employees in the areas of teamwork, handling difficult situations, performance management, sexual harassment, ADA, and supervisory and management core. These courses are additional to

the tuition reimbursement offered to employees enrolled in job related college courses.

A pilot project is currently taking place at the recently expanded Giants Ridge Golf & Ski Resort. After expansion, it was obvious that employees needed to be retrained. To meet this end, a survey was conducted and a committee was formed to assess needs and conduct research. A consultant was also hired to do a preliminary presentation to assist Giants Ridge management and staff in creating a service culture at Giants Ridge. A proposal is currently being reviewed by the committee who will recommend to management that the training continue over the next two fiscal years. We are hopeful that this training can also be offered to Ironworld Discovery Center.

### **Early Retirement Program**

During the later part of 1997, the agency again offered an Early Retirement Incentive Program. Two individuals took advantage of the offer. This opportunity was previously offered in 1995, at which time five employees exercised the option.

### **Employee Involvement**

Meetings are organized by individual divisions to update employees on upcoming programs, projects, and benefits. In the fall, a benefit presentation is offered while in the spring, training and updates are made available to employees. Meetings normally feature guest speakers, and various administrative support committees are formed throughout the agency to assist management in developing employee involvement programs.

Agency employees are also very generous with various charitable contributions. This was exemplified by last year's Charitable Contribution Drive. IRRRB employees far exceed expectations by donating a total of \$4,594.00. Agency employees also generously donate vacation hours



through the Vacation Donation Program, participate in agency picnics, parties, and various recreational events.

## **Communications Division**

The mission of the Communications Division is to improve the overall image and awareness of the agency by effectively sharing information with the public. Also, the division strives to educate and inform employees through continued internal communication measures. During FY98, the Communications Division continued publication of *RangeView*, the *Daily Resourcer*, the *Wild North Update*, and monthly calendars. The division also assisted with a variety of agency projects and efforts including: a *Mining Journal Supplement*, the *Governor's Task Force on Mining and Minerals Report*, the Iron Range Economic Alliance's industrial park map, the Snowmobile Summit Working Group, a new agency billboard, a cross-country marketing effort, and several media events. The division successfully met the majority of its goals including: providing more communications assistance and support to agency programs and facilities, completing more writing and design projects in-house, meeting the goals outlined in the communications plan, and assisting with the agency's web pages.

The division's goals for FY99 include completing an internal communications survey, publishing an employee yearbook, producing the biennial report in-house in a timely manner, reinstating the *Resourcer*, continuing to improve and better coordinate the agency's Web pages, and continuing to streamline and produce more writing and design projects in-house.

## **Special Projects**

### **do I.T! An Information Technology Initiative**

The IRRRB in collaboration with business, industry, government agencies, educational institutions and local communities has launched an extensive Information Technology initiative that will impact the region for decades to come.

Entitled "do I.T.," this project will develop an information technology system that will assist business and community to conduct commerce in the 21<sup>st</sup> century; position the Taconite Tax Relief Area on the leading edge of information technology; and through the creation of Information Technology Centers, development of an innovative Technology-based Economic Development Initiative and establishment of a Community Awareness Program attract new business to the region and promote equal telecommunications access, awareness and education for the citizens within our region.

The program will see the investment of both time and resources to develop the IT infrastructure necessary to add another "T" to the TTRA list: Taconite, Timber, Tourism, Transportation and now, Technology.

Backed by the input of more than 70 regional business, community and educational leaders, the program emerged from a three-month planning and development phase that culminated with a two-day workshop to clearly identify a strategic one year information technology work plan for the agency and its partners. Implementation of that work plan is now underway.

### **Rudy Perpich Memorial Committee**

More than \$700,000 has been raised for the Rudy Perpich Memorial which is planned to be housed

in the Iron Range Interpretative Center at the Ironworld Discovery Center. The project is now in the final design development stage with construction of the memorial to begin the Fall of 1998.

The design of the memorial has undergone a number of revisions from the original concept. Thomas Rajkovich and Associates, a noted architectural firm from Chicago, have been involved in the project since late 1997. A personal friend of the late governor, Rajkovich is donating his services to the project.

The personal papers of Governor Perpich and a significant portion of the memorabilia collected during his public life are housed in the Iron Range Research Center. This collection will be used in the memorial exhibit.

### **IRRRB/Blandin Intercommunity Cooperation Leadership Program**

Since 1995 the IRRRB has been in partnership with the Blandin Foundation in funding the Intercommunity Cooperation Leadership Program. The program is designed to develop leadership skills and techniques necessary to foster cooperation and sharing of resources among participating communities.

To date, the Intercommunity Cooperation Leadership Program has involved six iterations. The program paired: Mountain Iron, Virginia, Eveleth, and Gilbert; Hibbing and Chisholm; Tower, Soudan, Ely, Babbitt and Embarrass; Aurora, Hoyt Lakes, Town of White and Biwabik; Keewatin, Nashwauk, Pengilly, Calumet, Marble, Bovey and Coleraine; and Deerwood, Crosby, Ironton, and Emily. In all, 142 community leaders are participating in the program.

The program evolved through the Blandin Foundation's highly successful Community Leadership Program, which has been in operation

since 1985. The program involves a six-day in-residence retreat and two intensive follow-up workshops at which the participants select two or three projects that demonstrate inter-community cooperation.

The project selection process begins following the retreat. As part of their homework assignment the participants are asked to involve other community members in a meeting that identifies opportunities and challenges facing each of the communities. This input is brought to the Workshop and through the filtering process projects addressing these opportunities and challenges are proposed. Action Plans for the projects are developed during the workshops.

The inter-community projects selected have included: a proposed joint economic development authority for the Quad Cities; cooperation and assistance in developing the Quad Cities Curling Club; and numerous inter-community projects that were generated in a series of Quad Cities Town Meetings. The Hibbing and Chisholm cohort is working on a joint opportunity industrial park; a service learning project involving seniors and teens; and they have completed a "How To" manual to foster inter-community cooperation. The Vermilion Iron Range group developed an inter-community manual on sharing and pairing of equipment; they are looking into the development of a Wellness Center; and exploring the creation of a joint economic development authority for the region. A five-year Community and Economic Development Plan is the major project of the Aurora Hoyt Lakes, Biwabik and Town of White iteration. The Eastern Itasca County communities are developing a series of Information Technology Centers linking their communities and creating an Eastern Itasca County Chamber of Commerce. The Cuyuna Country group has just completed the retreat phase of the project and is starting the project selection process.



Outcomes of the Intercommunity Cooperation Leadership Program reflect the program's assumption that neither leadership nor inter-community cooperation are ends in and of themselves but are seen as a means to stronger, healthier communities. The program emphasizes individual empowerment, shared leadership and systemic approaches to community action.

for the project; and has helped in the coordination of all parties involved.

Participants selected for the program must demonstrate involvement in such sectors as education, local government, human services and business. They must care about their community and are willing to be involved. The applicants must also be willing to make a full-time commitment to the program's three sessions and be willing to be involved in developing an action plan for an inter-community project.

A selection committee for each community is responsible for the selection of the delegates from their community.

This program received the *1997 Partnership Minnesota Cooperative Public Service Award*.

### **Relocation of the St. Louis County Fairgrounds and Race Track**

Hibbing Community College, a technical and community college, has received funding to co-locate the three campuses of the college to one campus. Construction on the nearly \$22 million project will begin in the Fall of 1998 and will necessitate the moving of the present St. Louis County Fairgrounds and Race Track.

The IRRRB has participated in the planning for the relocation effort providing in-kind services and has funded architectural and engineering design costs; acquired a 600-acre site between Hibbing and Chisholm; completed an environmental assessment worksheet; and conducted a market analysis and feasibility study



