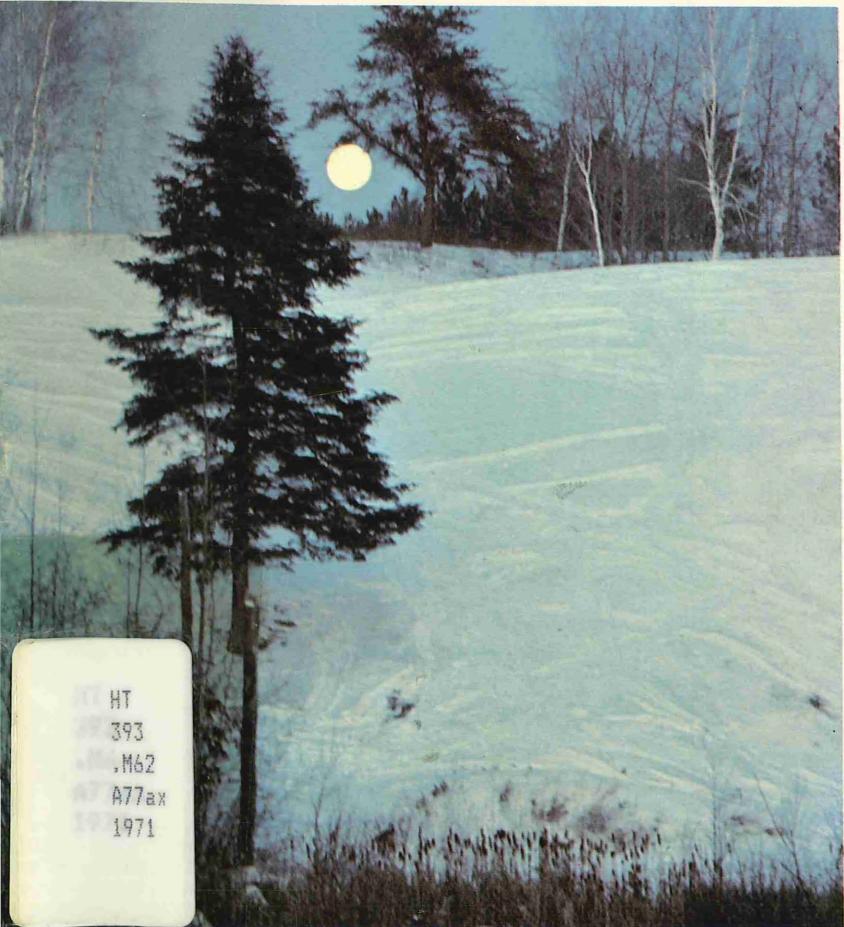


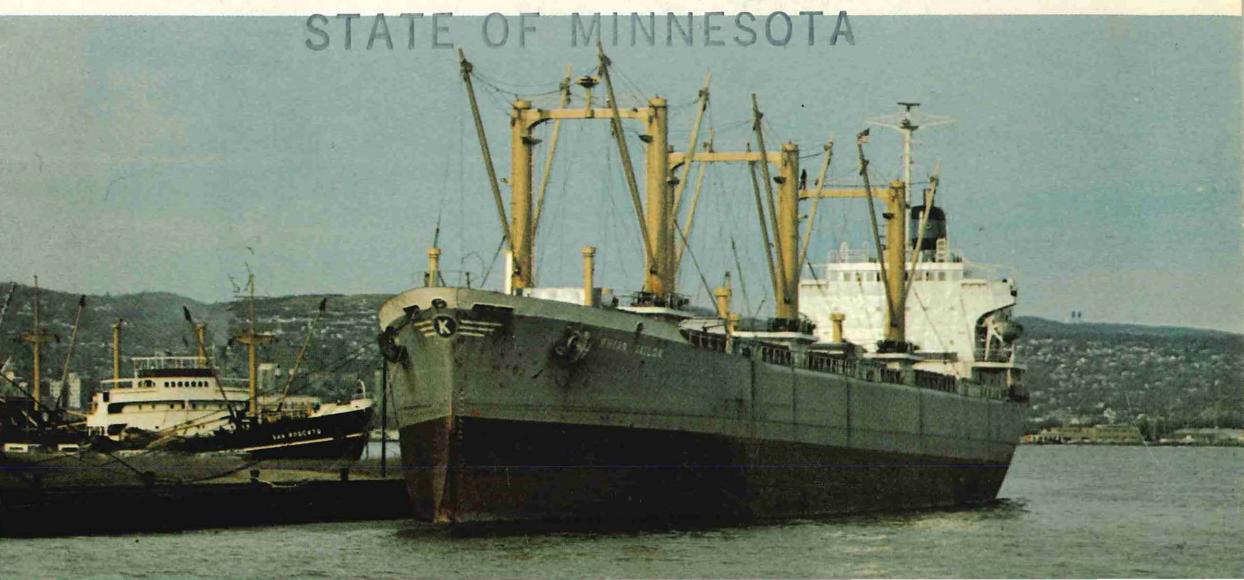
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# ARROWHEAD REGIONAL DEVELOPMENT COMMISSION

## Annual Report · 1971

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## Chairman's Letter



1971 has been a significant year in the development of a regional community concept in Northeastern Minnesota. The Arrowhead Regional Development Commission has taken on many new responsibilities as required by the Regional Development Act of 1969. These responsibilities include involvement in basin planning, water and sewer planning, solid waste management program, park planning, A-95 review and an expanded criminal justice program. Because of these new responsibilities, the administration of the Commission has had to be re-organized technically to meet the demands of multiple source funding. Also, a managerial procedure survey together with a comprehensive accounting and book-keeping manual has been adopted to keep the Commission and governmental units advised of budgets and expenditures. With our new responsibilities and administrative approach, I feel confident that the Commission now is in a strong position to cope with the future demands.

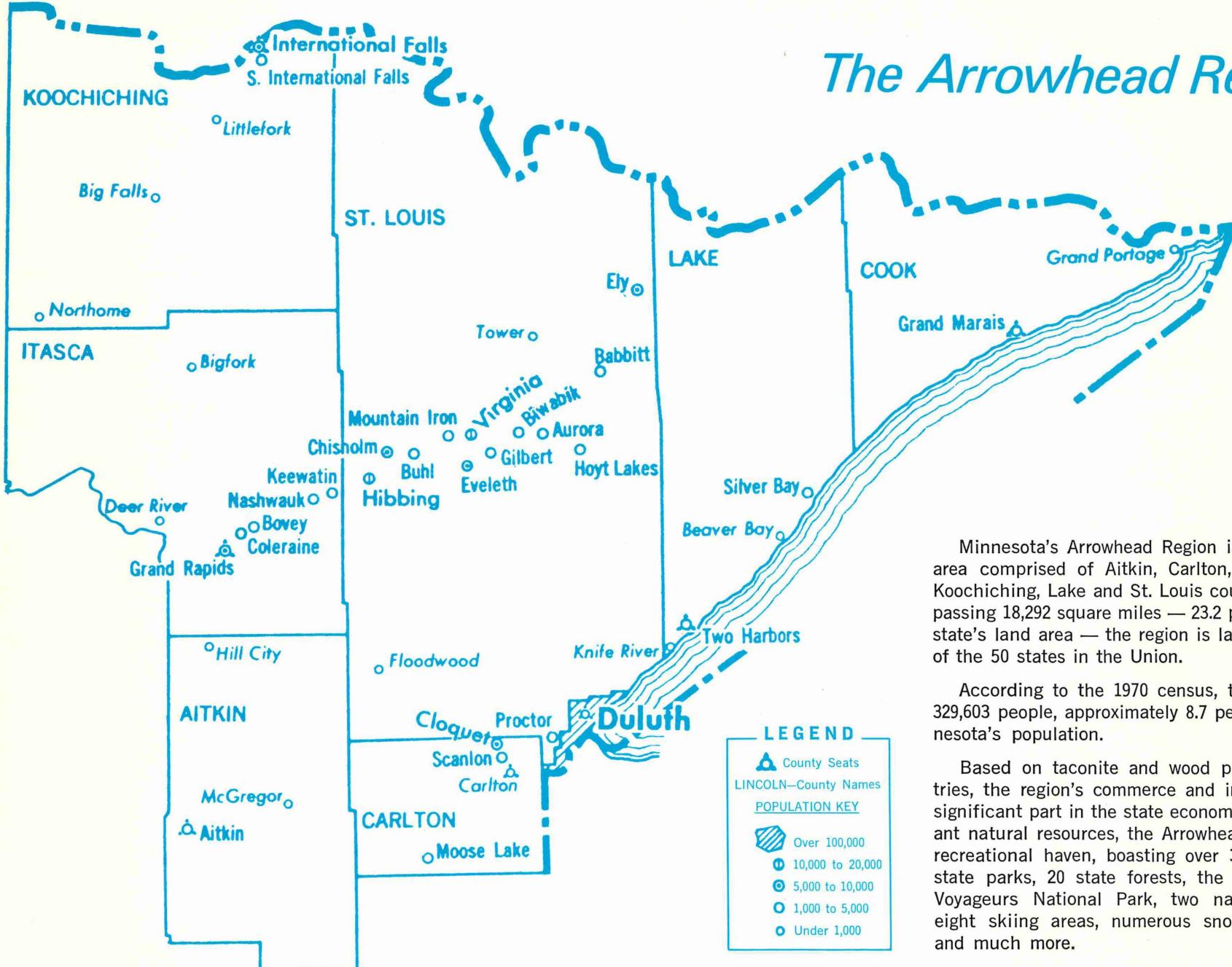
This report will indicate to you the growing responsibilities of the Arrowhead Regional Development Commission. We are faced with the challenge of recognizing and accepting these changes and responsibilities and converting them into meaningful action. Our ability to respond will determine our capacity for keeping decision making at a local level.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joseph Veranth".

JOSEPH VERANTH  
Chairman

# The Arrowhead Region



Minnesota's Arrowhead Region is a large land area comprised of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis counties. Encompassing 18,292 square miles — 23.2 per cent of the state's land area — the region is larger than nine of the 50 states in the Union.

According to the 1970 census, the region has 329,603 people, approximately 8.7 per cent of Minnesota's population.

Based on taconite and wood products industries, the region's commerce and industry play a significant part in the state economy. With abundant natural resources, the Arrowhead Region is a recreational haven, boasting over 3,000 lakes, 23 state parks, 20 state forests, the newly created Voyageurs National Park, two national forests, eight skiing areas, numerous snowmobile trails and much more.

## Board of Directors



Pictured at a recent Board of Directors meeting are, from left, Bert Ackerson, Earl Bolin, and Treasurer Arthur Barschdorf



JOSEPH VERANTH  
Chairman  
Duluth



BERT ACKERSON  
Hibbing



JOSEPH BEGICH  
Eveleth



JERRY JUBIE  
Floodwood



LLOYD NESSETH  
Grand Rapids



FLOYD ANDERSON  
Duluth



EARL BOLIN  
International Falls



CLARENCE MADDY  
Duluth



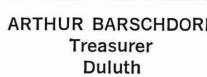
T. H. SHOAF  
Grand Rapids



PETER DEFOE  
Cloquet



MARVIN MARKLUND  
Two Harbors

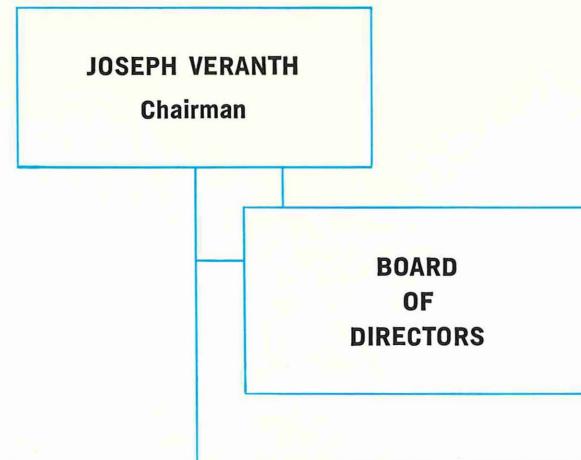


ARTHUR BARSCHDORF  
Treasurer  
Duluth



BEV JOHNSON  
Grand Marais

# ARDC Structure and Membership



County	County Commissioner under 100,000 pop.	County Commissioner over 100,000 pop.	Municipalities under 10,000 pop.	Municipalities over 10,000 pop.	Townships and at-large Townships	School Boards, Councils of Governments, & Public Interest Members	
Aitkin	Clifford Gravelle		Wayne Paajenen (Palisade)		Robert O. Flesland (Aitkin)	School Boards Sulo Walli (Cromwell)	Fred Ellis (Minorities)
Carlton	Maynard Raun		Ludwig Anderson (Kettle River)		Gustav B. Seboe (Wrenshall)	M. George Downs (Duluth)	George Kratoska (Tourism & Rec.) Arlene Lehto (Envir. Quality)
Cook	Bev Johnson		Henry Thomsen (Grand Marais)		Gerald Drew (at-large)	Coun. of Gov'ts. Donald Solem (HOTL-COG)	William Marshall (Ag. & Forestry)
Itasca	T. O. Pederson		Edwin Bruns (La Prairie)		Warren Youngdahl (Marcell)	Public Interest Gaylord Bridge (Health)	C. Thomas Burke (Trans. & Com.) Vince Gentilini & Don Boyd (Community Act.)
Koochiching	Earl Bolin		Phil Olson (So. Int'l Falls)	(St. Louis) Henry Pappone (Virginia) J. J. Taveggia (Hibbing) John Sheedy (Duluth)	Henry Cody (at-large)	Arne Heikkila (Human Welfare)	Clif Campbell (Labor)
Lake	Marvin Marklund		David Battaglia (Two Harbors)		John Rushenberg (Silver Bay)	Doug Bourgeois (Crime)	Indian Reservations Don Hackey
St. Louis	Fred Barrett	Floyd Anderson			Henry Koistinen (Zim)	D. Kelly Campbell (Mining) Jerry Jubie (Commerce & Ind.)	Sherman Smith Lorraine Oberg

# The ARDC

Physical, social and economic problems respect no local boundary lines, posing challenges that are best met through united effort by local governments.

The Arrowhead Regional Development Commission (ARDC) is part of a statewide effort to meet and resolve these common challenges. The Commission includes within its jurisdiction Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis Counties (excluding the jurisdiction of the Head of the Lakes Council of Governments).

The ARDC was designated as Region Three by Executive Order No. 60, issued in July, 1970 by Minnesota Governor Harold Levander. The executive order implemented Section Five, Subdivision One of Chapter 1122, Laws of 1969 — The Regional Development Act — made law by the Minnesota Legislature in recognition of the fact that problems facing the state, particularly its rural areas, could be most efficiently resolved through pooling resources of local governments.

Officially known as the Arrowhead Regional Development Commission through adoption of by-laws, the "Arrowhead" name is in keeping with previous designations of the northeastern area of Minnesota.

During 1971, the orientation of the Commission has changed from that of an organization initially concerned with economic development to a multi-purpose, multi-funded planning and co-ordinating agency.

As the authorized planning agency for Northeastern Minnesota, the ARDC can receive state and federal grants for regional purposes from the following programs: 1.) The Public Works Impact Program, part of Public Law 92-65, passed by the

U. S. Congress on August 5, 1971 (amends the former 1965 Public Works and Economic Development Act), 2.) Section 701 of the Housing Act of 1954 as amended, 3.) The Omnibus Crime Control and Safe Streets Act of 1968. The ARDC also may receive grants under any other state and federal programs providing funds for multi-county planning, coordination and development purposes.

This 1971 Annual Report is in keeping with Section 462.393 of the Regional Development Act (as amended by Chapters 153 and 174, Laws of 1971), which states "on or before February 1 of each year, the Commission shall prepare a report for the governmental units, the public within the region, the Legislature and the Governor."

## Planning Activities

### Planning Assistance Grant

A \$20,000, six-month planning assistance grant through Section 701 of the Housing and Urban Development Act has been utilized by the ARDC to accomplish three primary purposes:

1.) An overall program design was planned and submitted to HUD. The design contains a schedule of work elements which the ARDC wants to accomplish over a three-year period.

2.) Regional housing problems were surveyed and solutions have been suggested to meet housing requirements for the region.

3.) Technical assistance has been provided to counties and other local units of government. With this help, communities with over 5,500 population are meeting HUD areawide planning requirements and counties are developing a solid waste management plan.

### Areawide Functional Planning

Under certification from the U.S. Department of Housing and Urban Development (HUD), the ARDC has responsibility for functional planning to meet the HUD requirements for water, sewer and open space grant programs. This certification applies to the Areawide Planning Jurisdictions of International Falls, Grand Rapids, Hibbing-Stuntz, Chisholm and Virginia, as well as the unincorporated areas and all incorporated municipalities with under 5,500 population.

With a one-year grant from the Farmers Home Administration, functional planning is underway for sewer and water facilities in unincorporated areas and communities with populations under 5,500. This element of the program is also concerned with establishing the grant eligibility of the Areawide Planning Jurisdictions named in the HUD certification by encouraging planned and coordinated development of water and sewer facilities in these areas.

The major work elements being undertaken during the first year work program include implementation of Citizen Participation Activities; development of an Affirmative Action Program for Equal Employment Opportunity; development of areawide land use goals and objectives; coordination of planning efforts in the Areawide Planning Jurisdictions; and coordination and integration of HUD sewer and water planning requirements with those of FHA and the Environmental Protection Agency.

### Solid Waste Management

During the year, a preliminary plan for solid waste management in the region except Carlton County was prepared through the HUD planning assistance grant. The preliminary plan encompassed an inventory of existing solid waste disposal sites and current solid waste management practices in communities of over 5,000 population.

Minnesota counties are required by regulations of the State Pollution Control Agency to prepare and adopt a solid waste management system plan by July 1, 1972. The plan for the counties within the ARDC jurisdiction will be accomplished with funds from the counties and the ARDC. The ARDC will use \$6,000 of the HUD planning assistance grant to prepare the plan.

Major work elements in the plan include: 1.) forecasts of future solid waste generation by type, 2.) identification of potential sanitary land fill sites, 3.) analysis of alternative direct disposal methods, 4.) analysis of collection rates, equipment and manpower needs, 5.) delineation of service areas, 6.) preparation of model solid waste regulations, franchise agreements, joint power agreements and other implementation measures.

### **Voyageurs Park**

A well-planned, zoned and readily accessible Voyageurs National Park will require physical planning for land use control and other administration to assure its development. The ARDC staff is assisting in development of these basic—and necessary—controls.

The ARDC has helped draft a joint powers contract which allows Koochiching County to utilize the staff services of the St. Louis County Planning Department for the immediate future. The Commission has also been involved in preparation of a work program for necessary perimeter area planning through participation in joint meetings of the St. Louis-Koochiching Planning Committee to review specific zoning problems.

\$10,000 in HUD 701 planning assistance funds earmarked for Voyageurs Park Planning have been secured by the ARDC. Most of the work with these funds will be done by the St. Louis County Planning Department under contract with the

ARDC. The work will involve base mapping, zoning and related planning in the Voyageurs Park area.

The ARDC has also received an appropriation of \$2,500 from the Minnesota Natural Resources Commission to coordinate planning in the Voyageurs Park area. Additional funds for planning assistance are being sought through an ARDC application to the Upper Great Lakes Regional Commission.

### **Basin Planning**

Minnesota Governor Wendell Anderson designated the ARDC as official planning agency for preparation of water quality plans in the Arrowhead Region. Lying entirely within the ARDC's jurisdiction is the Minnesota portion of the Lake Superior Basin, as well as portions of the Rainy River and Upper Mississippi basins.

The ARDC requested such a designation in order to meet new federal regulations which require that grants for construction of municipal sewage treatment plants shall be awarded on the basis of effective basin and metropolitan plans for the abatement of water pollution.

The designation of the ARDC as water quality planner insures continued eligibility of regional communities to receive grants from the Environmental Protection Agency for wastewater treatment plants.

Water quality management planning for the Minnesota and Wisconsin portions of the Lake Superior Basin will be conducted jointly by the ARDC and the Northwestern Wisconsin Regional Planning and Development Commission. The two have submitted a joint application for planning funds from the Environmental Protection Agency.

Included in this joint planning area are the Minnesota counties of Cook, Lake, St. Louis and

Carlton and the Wisconsin counties of Iron, Ashland and Bayfield.

The plan is to be carried out over an 18-month period to comply with federal regulations which call for complete basin plans by July 1, 1973.

A major portion of the federal money sought will be used to prepare detailed plans for the lower St. Louis River portion of the Lake Superior Basin. Cities included in this area are Cloquet, Proctor, Duluth and Superior. The plan for the metropolitan area will be developed under contract with the Western Lake Superior Sanitary District.

Total cost of the program will be approximately \$765,000. The joint applicants will assume responsibility for establishing and maintaining coordination of the work programs to be conducted in the Minnesota non-metropolitan, Wisconsin non-metropolitan and Duluth-Superior metropolitan areas. Differences between the two states in the type and extent of available data, urbanization patterns and other factors require that separate work programs be conducted in the non-metropolitan portions of the basin as well as in the Duluth-Superior metropolitan area.

### **Economic Development**

The original Arrowhead Economic Development District was organized to provide solutions to economic problems common to the region. Its reorganization into the Arrowhead Regional Development Commission recognized that economic growth and improvement must take place within a much broader framework.

The ARDC is promoting economic growth and development in a number of ways:

1.) The original overall economic development program is being updated and strategies and goals are being re-evaluated.

2.) Under study is the market potential for re-

creation related enterprises, especially in the area around the newly created Voyageurs National Park. Such study is necessary to provide adequate safeguards to insure compatible development.

3.) A pending two-year study of the input and output of dollars in the regional economy will provide public officials with a means to determine in advance the effects of expenditures, taxes or resource allocation policies.

4.) Local governments are receiving ARDC assistance in preparing applications for grants and loans.

5.) Research and background material is being provided to agencies directly involved in attracting new industry to the region.

6.) Assistance is being provided to existing and potential private industry in preparing applications for federal funds for business expansion and location.

The above mentioned efforts typify ARDC activities in the area of economic development. Both planning and technical assistance are needed to attain long-range economic stability.

## **Housing**

Appraisal of housing needs in the region was an initial element included in the January 1 to June 15 (1971) HUD planning grant.

Because of the lack of information on the extent of the region's housing problems, the initial \$13,800 HUD grant was used to gather basic data for use by the ARDC in determining possible future action.

A \$5,800 contract was made with the consultant firm of Aguar, Jyring, Whiteman & Moser of Duluth to survey exterior housing conditions throughout the nonmetropolitan portion of the region. A

\$6,000 consulting contract with Lorimer, Chiodo & Associates, Inc. of Minneapolis was made to identify housing needs, to analyze housing implications of the state and federal legislation and to inventory existing public housing agencies in the region.

Aguar, Jyring, Whiteman & Moser conducted a field survey of all areas outside the jurisdiction of the Head of the Lakes Council of Governments as of January 1, 1971. The firm tabulated conditions of housing units by individual governmental jurisdictions as well as by county and the region. The survey revealed the severity of housing problems in the region. Ten per cent of the 60,000 units in the region were rated as dilapidated or abandoned. About 20 per cent of the regional total was either dilapidated or deteriorating and therefore considered unsound.

Lorimer, Chiodo and Associates, Inc. analyzed existing data to identify total housing needs, including replacement and housing for the elderly. The firm summarized implications of pending state and federal housing legislation and inventoried programs offered and problems encountered by existing local housing agencies. Finally, the consultants assisted in formulation of a housing work program.

On April 15, the ARDC, with assistance from Lorimer, Chiodo and Associates and Aguar, Jyring, Whiteman and Moser, conducted a meeting on housing problems. The 36 persons who attended represented 20 municipalities as well as state and federal agencies. A panel discussion and comments from the floor reinforced the consultants' suggestions for expansion of technical assistance to local authorities and for establishment of county or multi-county approaches to housing problems.

The ARDC will take an organized conscious approach to housing. It has organized a Housing

Committee from its membership to examine future policies and actions.

## **Technical Assistance**

A major factor limiting the effectiveness of local governments is the lack of expert staff to deal with increasing state and federal requirements and programs. Few communities in the region could afford such help on a full-time basis even if it were available.

For this reason, the provision of technical assistance to local governments has always been a major component of the ARDC work program and an important reason for its acceptance.

The technical assistance function of the Commission covers all programs including those funded through the Economic Development Administration, Housing and Urban Development and the Law Enforcement Assistance Administration. The ARDC provides assistance in preparation of grant applications, meeting state and federal program requirements, developing work programs for planning and other purposes, and providing incidental advice on planning and related matters.

The HUD functional planning and solid waste management planning, previously discussed, has been vital in ARDC's technical assistance to local governments.

Technical assistance is also being provided through a Health, Education and Welfare Title I program co-sponsored by ARDC and the University of Minnesota-Duluth. Officially known as the University-Community Program for Planning and Development in the Arrowhead Region, the program's efforts are aimed at assisting local communities of northeastern Minnesota function more knowledgeably within the regional structure. Among several elements of the program is a series of manpower management seminars for local government officials.

The Commission and the University-Community program also publish a monthly newsletter to explain the purposes and goals of regional cooperation. The "Arrowhead Regional Report" provides the public and government officials with progress reports and other pertinent information.

#### **Manpower Planning**

The Plan B Public Service Careers Program, (PSC), administered in the Arrowhead Region by the ARDC, has now completed a year and a half of operation. Funding for the program was made available to the region because of its status as an Economic Development District of the U.S. Department of Commerce, Economic Development Administration.

The program originated as a Department of Labor program. However, an interagency agreement between Commerce and Labor was made in June, 1970 to allow participation by the economic development districts operating throughout the nation.

Emphasis of the Public Service Careers Program is placed on training low income, disadvantaged persons for permanent full-time careers in public service. Resources are also made available for improvement of the personnel management systems of public agencies.

The original grant agreement period between EDA and the ARDC was June 30, 1970 to January 31, 1972. However, an extension was provided to operate the program until April 30, 1972, thereby insuring greater follow-through of program efforts.

The program funds were contracted on the basis of providing training to 50 persons for entry into public jobs and upgrading 20 persons already in public employment to higher skill levels. Since unemployment is such a crucial factor presently, the contract was changed to provide for entry positions only.

As of December 15, 1971, the following pro-

grams are underway: 31 persons will receive 35 college credits toward the Associate in Arts degree for employment as teacher aides; 15 persons are earning 26 college credits toward positions as medical unit secretaries and one person is training for certification as a stationery engineer.

Final arrangements are presently being made to train an additional 20 persons as hospital attendants for work in county nursing homes. Curriculum for the training program will be specially adapted to provide greater emphasis on the concept of geriatrics and medications use for elderly persons. Training will be completed in March, 1972.

Efforts to improve personnel management skills have resulted in seminars and workshops on personnel management concepts. The workshops are sponsored jointly by the ARDC PSC Program and the University-Community Program, a Title I program of the University of Minnesota-Duluth. Taking place in five locations throughout the region, the seminars are designed for local government officials. Participants range from elected to full-time officials, including department heads, city clerks and maintenance foreman.

The ARDC Manpower Division, due to linkages developed with the public agencies of the region and state through the PSC program, was also able to provide assistance in the conduct of the Emergency Employment Act in the Arrowhead Region.

#### **Criminal Justice Planning**

The Arrowhead Regional Juvenile Detention Center is currently under construction and is expected to be completed in the first quarter of 1972. The facility will be a twenty-bed unit to serve the needs of the counties in northeastern Minnesota. It is the first of its kind in Minnesota. The Criminal Justice Division made a major contribution toward development of the facility including the obtaining of cooperative agreements between

the counties, developing grant applications and encouraging the development of state legislation necessary to permit counties to obtain matching funds through an excess levy.

Outside the Twin Cities Metro Area, there are six Criminal Justice Planning Regions with regional advisory councils in Minnesota. Region B covers the same area as ARDC. The relationship between the Region B Advisory Council and the Arrowhead Commission has recently been defined through a series of policy statements of the Governor's Crime Commission and the recommendations of a joint ARDC-Region B committee. The basic recommendation is to establish the entire Region B Advisory Council as a Criminal Justice Committee of the Arrowhead Commission. Commission action on these recommendations is anticipated early in 1972.

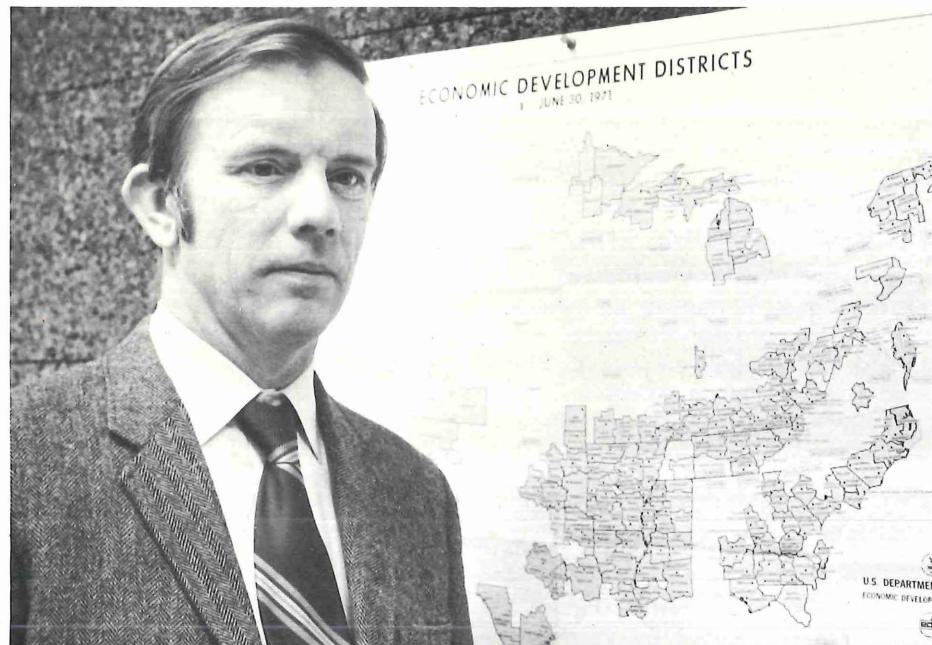
The criminal justice program for 1972 has been guided by an adopted regional plan of priorities and anticipated programs in criminal justice. Considerable emphasis has been placed upon programs of the Detention Center type using a regional approach.

1. The development of a regional prosecution and public defender system to coincide with the implementation of the County Court Act, including the standardization of administrative procedures and training of court personnel.

2. The development of a regional probation system with uniform processes and structures.

3. The continued development and construction of regional and community based correctional and detention facilities and programs.

The priorities in the 1972 program reflect a general movement toward prevention and treatment projects and a definite "systems" approach to criminal justice problems. The priorities characterize this "systems" approach and provide for reforms in entire divisions of administration, treatment, prevention and enforcement.



William Beck



Bonnie Kallio and Alan Ballavance

## Commission Staff

*Executive Director* — Rudy R. Esala

*Planner in Charge* — William S. Beck

*Information Resources Director* — William M. Bolander

*Manpower Director* — Alan D. Ballavance

*Commission Legal Counsel & Acting Director, Criminal Justice Planning* — Robert F. Eaton

*Community Service Representative* — Randy J. Rehnstrand

*Research Assistant* — Richard W. Wagner

*Executive Secretary/Bookkeeper* — Bonnie Kallio

*Student Intern* — David Martin

*Stenographer* — Roshan Harms

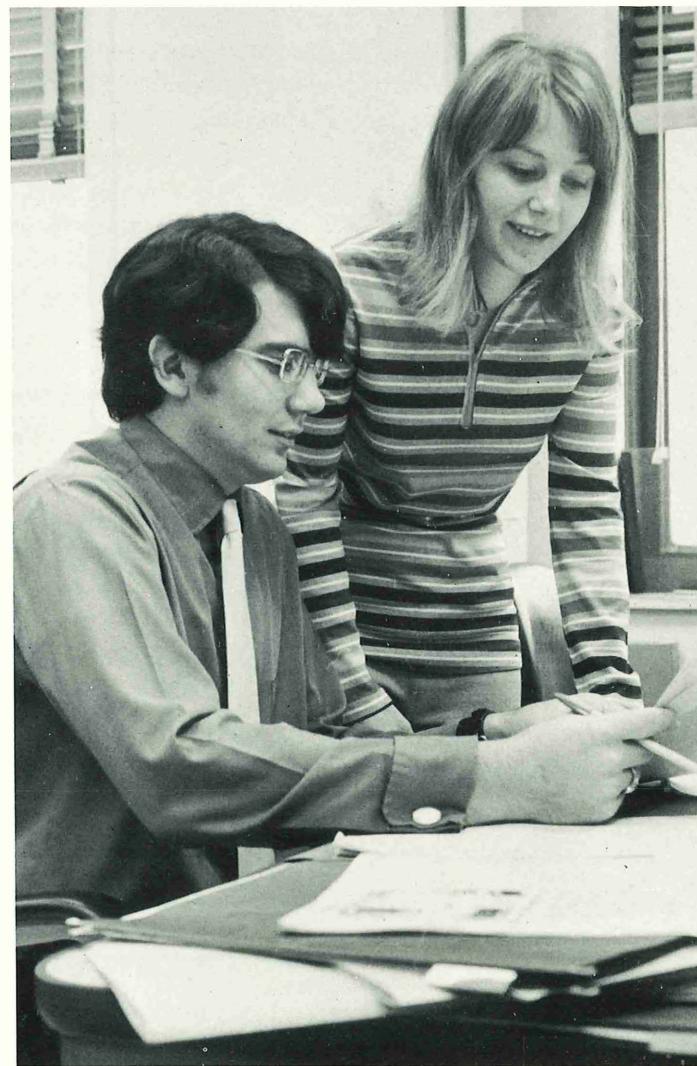
*Stenographer* — Maureen Undeland



William Bolander and Maureen Undeland



Robert Eaton



Randy Rehnstrand and Bonnie Kallio



Richard Wagner, left, and David Martin

# *Studies and Reports 1971*

## **1970 Census Data for the Arrowhead Region in Northeastern Minnesota**

Represents a summary compilation of data extracted from the First County Summary Tapes for Minnesota. This is the earliest available data that the Census Bureau has published. The data is final and contains information from the 100% coverage of questions on the census questionnaires. It provides valuable population data for all planning considerations. Published in March, 1971.

## **Housing Problems and Programs in Northeast Minnesota, Arrowhead Region**

The ARDC hired the firm of Lorimer, Chiodo & Associates, Inc., Minneapolis, to assist in developing a housing work program to be submitted to the Department of Housing and Urban Development as part of its overall planning program. This study analyzes the problems related to housing, and reviews the present housing programs and proposals aimed at solutions for these problems. Published May, 1971. (Also see the housing portion of Planning Activities.)

## **Housing Condition Tabulation for Communities and Townships in Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis Counties**

The ARDC hired the firm of Aguar, Jyring, Whiteman, Moser, Inc., Duluth, to do a field survey of the housing conditions of the region. The report summarizes residential dwelling conditions by townships and incorporated communities within the seven-county region. The figures represent ex-

terior building conditions only and are based on actual field investigation. Each building was rated by trained personnel according to uniform criteria. Published May, 1971. (Also see the housing portion of Planning Activities.)

## **Preliminary Plan Solid Waste Management System**

The ARDC staff prepared this study to comply with the Minnesota Pollution Control Agency's July 1, 1971 deadline for submittal of a preliminary plan for solid waste management. It consists of a brief summary and evaluation of current solid waste practices, identification of the nature and extent of current solid waste problems, and a policy statement indicating the progress and direction of the study. The inventory of data compiled for this report will be useful in preparing the final solid waste plan and determining the cost. Published June, 1971. (Also see the Solid Waste Planning portion of Planning Activities.)

## **A Study of the Manufacturing Industry in the Arrowhead Region of Northeastern Minnesota**

This census comparison report gives data on the Census of Business for counties and cities within the region, during the 1963 and 1967 census years. It includes data on employment, payroll, number of establishments, and new capital expenditures. This report is intended as a marketing tool and also for use in planning economic development by the Commission staff. Published June, 1971.

### **New and Expanded Industries in the Arrowhead Region of Northeastern Minnesota, 1970**

This report summarizes the construction of industrial facilities by classification of industry type, number of projects, and type of investment (new or expanded). Analysis of industrial activity can be used as a planning tool with reference to specific localities within the region. Investment distribution can also identify areas of economic strength and growth. Comparisons are made with state activity during 1970. Published June, 1971.

### **A Study of Federal Outlays in the Arrowhead Region of Northeastern Minnesota FY 1970**

The publication "Federal Outlays in Minnesota, Fiscal Year 1970," prepared by the Office of Economic Opportunity for the Executive Office of the President, was used to extract data on the seven counties and the city of Duluth. The report reflects the distribution of Federal dollar outlays by program and geography and provides a useful guide for planning and budgeting for officials at all governmental levels. Published July, 1971.

### **Work Force Estimates, Northeastern Minnesota**

This is a statistical compilation of work force data on the seven counties in the Arrowhead Region. Annual figures are shown for the years 1965 through 1970. It includes data on total work force, total employment, number of unemployed and the unemployed as a per cent of the total work force. A monthly summary by county is given for 1970, the

latest available year for each of the data subjects. Published July 1971.

### **Population Projections**

This publication includes projections of population for the counties incorporated and unincorporated places in the region. Projections to 1990 are based on actual 1970 census figures. Department of Health estimates were used as a basis for "control" totals on county population figures. Published August 1971.



### **Migration in the Arrowhead Region 1960-1970**

The study — using 1960 and 1970 U. S. Census of Population figures and Minnesota Department of Health, Section of Vital Statistics annual reports—contains the net migration and net migration rates for the entire region. Published September 1971.

### **Updating of Business Reports**

Previous studies of retail and wholesale sales and selected services, from Census of Business data, were updated to include Aitkin County. Published August 1971.

### **Employment Summaries, 1970**

Labor data from the Minnesota Department of Manpower Services' Employment Trends was updated. The figures show employment by industry on a month by month basis during 1970 for Grand Rapids, Hibbing, Virginia, Duluth. Published August, 1971.

# Review Process

The formal Project Notification and Review System adopted by the ARDC conforms to the authorized procedures set forth in the Office of Management and Budget Circular A-95. The circular was set up to facilitate coordination of state, regional and local planning and development under 106 various federal assistance programs. The review process is becoming a prerequisite for a growing number of federal assistance programs, the latest of which, the National Environmental Policy Act of 1969, requires "clearinghouses" to provide environmental impact statements for review by agencies authorized to enforce environmental standards.

The ARDC has authority to review all applications for federal and state grants and loans under authority from the Regional Development Act of 1969 (Chapter 1122, Laws of Minnesota, 1969). In December, 1970 the Governor of Minnesota also designated the ARDC as the regional clearinghouse required by OMB A-95.

After a public hearing in February, 1971 to explain the PNRS process to local government units as required in the Development Act, the ARDC implemented its review process. PNRS is currently undergoing change to facilitate the review procedure and to develop a more uniform system with the simultaneous review of the state clearinghouse.

Representing potential applications for funds from various state and federal sources, the projects which have undergone review since February, 1971 are listed on the following pages:

## PROJECT NOTIFICATION AND REVIEW SYSTEM (PNRS) RECORD OF PROJECTS

Project Title	Applicant	Date Received	Date PNRS Completed
U.M.D. Medical School Renovation & Equipment Application (\$160,000)	Regents of the University of Minnesota	Feb. 19, 1971	February 22, 1971 (positive review)
Water Storage Reservoir (\$180,000)	City of Eveleth	March 3, 1971	Sept. 13, 1971 (positive review)
Industrial Park (\$660,000)	City of Virginia	March 19, 1971	April 28, 1971 (positive review)
Expansion of Sewage Collection and Water Distribution Systems (\$480,000)	Village of Aitkin	April 6, 1971	April 16, 1971 (positive review)
Sewage Treatment Plant (\$260,000)	Village of Northome	March 19, 1971	Sept. 14, 1971 (positive review)
Sewage Disposal Plant & Sewage Extension (\$170,000)	Village of Calumet	April 12, 1971	Sept. 14, 1971 (positive review)
Waste Water Treatment Improvements (\$4,114,000)	Village of Grand Rapids	May 12, 1971	May 13, 1971 (positive review)
Waste Water Treatment Facilities Additions and Modifications (\$362,000)	Grand Marais Public Utilities Commission	May 12, 1971	June 8, 1971 (positive review)
Split Rock Lighthouse (*See Below)	Minnesota Dept. of Conservation	May 17, 1971	May 19, 1971 (positive review)
Chisholm-Hibbing Airport Master Plan Study (\$27,000)	Chisholm-Hibbing Airport Comm.	May 27, 1971	June 3, 1971 (positive review)
Ely-Vermilion Airport Master Plan Study (\$15,000)	City of Ely	May 27, 1971	June 3, 1971 (positive review)

Project Title	Applicant	Date Received	Date PNRS Completed	Project Title	Applicant	Date Received	Date PNRS Completed
International Falls Airport Master Plan Study (\$20,000)	International Falls-Koochiching County Airport Commission	May 27, 1971	June 3, 1971 (positive review)	Duluth International Airport Master Plan Study (\$40,000)	Duluth Airport Authority	August 6, 1971	August 25, 1971 (positive review)
Sewage Treatment Plant Addition (\$381,000)	Village of Carlton	June 1, 1971	June 17, 1971 (negative review)	Waste Water Collection System — North Chandler (\$327,600)	City of Ely	August 30, 1971	Sept. 30, 1971 (positive review)
Grand Rapids Airport Master Plan Study (\$20,000)	Grand Rapids Airport Comm.	June 1, 1971	June 17, 1971 (positive review)	Waste Water Collection System — Pioneer Location (\$32,500)	City of Ely	August 30, 1971	Sept. 30, 1971 (positive review)
Moose Lake Airport Master Plan Study (\$10,000)	Carlton County Airport Comm.	June 2, 1971	June 24, 1971 (positive review)	Waste Water Collection System — Spaulding Location (\$183,600)	City of Ely	August 30, 1971	Sept. 30, 1971 (positive review)
Eveleth-Virginia Municipal Airport Master Plan Report (\$15,000)	Eveleth-Virginia Airport Comm.	June 3, 1971	June 24, 1971 (positive review)	Waste Water Collection System — Chandler-Finn Hill Location (\$291,434)	City of Ely	August 30, 1971	Sept. 30, 1971 (positive review)
Cloquet Carlton County Airport Master Plan Study (\$15,000)	Carlton County Airport Comm.	June 3, 1971	June 24, 1971 (positive review)	Aitkin Municipal Airport Improvement Project (\$320,000)	Aitkin Municipal Airport Commission	Sept. 14, 1971	Sept. 24, 1971 (positive review)
Sewage Pumping Station Force Main, Waste Stabilization Ponds (*See Below)	Village of Cromwell (This application re-submitted. See Wastewater Project, Village of Cromwell)	June 8, 1971	Sept. 13, 1971	Water Supply and Distribution System (\$126,300)	Village of Palisade	Sept. 16, 1971	Oct. 15, 1971 (positive review)
Municipal Sewage Treatment Facility (\$285,000)	Village of Deer River	June 14, 1971	Sept. 14, 1971 (positive review)	Waste Water Collection and Treatment System (\$267,500)	Village of Palisade	Sept. 16, 1971	Oct. 15, 1971 (positive review)
Industrial Park (*See Below)	Aitkin Development Corporation	June 14, 1971	October 15, 1971 (positive review)	Independence Rest Area Upgrading and Enhancement (*See Below)	Minnesota Dept. of Highways	Sept. 17, 1971	Oct. 4, 1971 (positive review)
Grand Portage Community Action Application (\$186,614)	Grand Portage Community Action Council	July 15, 1971	August 24, 1971 (positive review)	Waste Treatment Facilities (\$159,450)	Village of Cromwell	Sept. 20, 1971	Oct. 15, 1971 (positive review)
Outdoor Recreation Hockey & Skating Rink (\$12,000)	Village of Nashwauk	July 27, 1971	Nov. 1, 1971 (positive review)	Beaver Bay Sewage Disposal Project (\$671,000)	Village of Beaver Bay	Sept. 22, 1971	Oct. 28, 1971 (positive review)

Project Title	Applicant	Date Received	Date PNRS Completed	Project Title	Applicant	Date Received	Date PNRS Completed	
East Mesaba Sanitary Land Fill and Rail Haul Study (\$170,291)	East Mesaba Sanitary Disposal Authority	Sept. 24, 1971	Oct. 28, 1971 (positive review)	Advanced Waste Treatment (\$70,800)	Village of Hoyt Lakes	Nov. 10, 1971	Nov. 30, 1971 (positive review)	
Modification of Sewage Treatment Plant (\$438,500)	Village of Silver Bay	Oct. 7, 1971	Oct. 28, 1971 (positive review)	Advanced Waste Treatment (\$226,000)	City of Chisholm	Nov. 10, 1971	Dec. 7, 1971 (positive review)	
U. S. Hockey Hall of Fame (\$665,794)	City of Eveleth	Oct. 14, 1971	Oct. 15, 1971 (positive review)	S. P. 6935-39, Chisholm to Kinney (T.H. 169) (\$10,000,000)	Minnesota Highway Department, District #1	Nov. 11, 1971	Dec. 8, 1971 (positive review)	
Gilbert Recreation Center (\$80,000)	City of Gilbert	Oct. 18, 1971	Oct. 18, 1971 (positive review)	Program Administration; Community Organization; Youth Development (\$124,000)	Koochiching-Itasca Action Council Inc.	Nov. 16, 1971	Dec. 14, 1971 (positive review)	
Tower Municipal Building (\$240,000)	City of Tower	Oct. 18, 1971	Oct. 18, 1971 (positive review)	Knife River Public Harbor and Marina (\$552,000)	Lake County	Dec. 6, 1971	Dec. 9, 1971 (positive review)	
Upgrading of T.H. 169 at Ely (\$400,000)	Minnesota Dept. of Highways	Oct. 15, 1971	Nov. 11, 1971 (positive review)	Village of McGregor Airport and Airport Industrial Park (\$721,500)	Village of McGregor	Dec. 14, 1971	not completed	
Hockey and Skating Rink/ Teenage Center (\$6,000)	Village of Keewatin	Oct. 18, 1971	Nov. 13, 1971 (positive review)	Gooseberry Falls State Park (\$176,000)	Minnesota Dept. of Natural Resources	Dec. 17, 1971	not completed	
County Road #6 - Erosion Control Project (\$15,000)	USDA, Soil Conservation Service	Oct. 26, 1971	Nov. 2, 1971 (positive review)	Panorama East Apartments (\$2,307,915)	Murray Enterprises of Minn., Inc.	Dec. 27, 1971	not completed	
Cloquet-Eastern Carlton County Water Supply (\$930,000)	Eastern Carlton County Water District	Nov. 1, 1971	Nov. 30, 1971 (positive review)	Mesabi Manor Apartments (\$1,601,270)	Ryan Construction Co. of Minn., Inc.	Dec. 27, 1971	not completed	
Bear Head Lake State Park (\$13,200)	Minnesota Dept. of Natural Resources	Nov. 2, 1971	Nov. 30, 1971 (positive review)	Jay Cooke State Park (\$220,160)	Minn. Dept. of Natural Resources	Dec. 27, 1971	not completed	
Cascade River State Park (\$13,200)	Minnesota Dept. of Natural Resources	Nov. 2, 1971	Nov. 30, 1971 (positive review)	Franz Jevne State Park (\$23,700)	Minn. Dept. of Natural Resources	Dec. 27, 1971	not completed	
Temperance River State Park (\$24,200)	Minnesota Dept. of Natural Resources	Nov. 2, 1971	Nov. 30, 1971 (positive review)	* Cost estimates not included in project notification.				
Advanced Waste Treatment (\$79,200)	Village of Babbitt	Nov. 10, 1971	Nov. 30, 1971 (positive review)					

### REVENUES

**Year Ending December 31, 1971**

	<u>* Balance Forwarded</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Citizen's Action Council .....	\$4,596	\$ 6,500			\$ 11,096
Economic Development Administration .....		59,082	22,504	2,496	84,082
Region B .....		25,000			28,464
Public Service Careers .....	2,439	66,000			68,439
Farmers Home Administration .....		75,000			75,000
Housing and Urban Development** .....			4,996		4,996
<b>TOTAL</b> .....	<b>\$7,035</b>	<b>\$231,582</b>	<b>\$27,500</b>	<b>\$5,960</b>	<b>\$272,077</b>

\* Grant Agreements began in 1970.

\*\*State of Minnesota, Account Receivable on HUD Contract for 1971: \$20,000.

### EXPENDITURES

**Year Ending December 31, 1971**

	<u>Citizen's Action Council</u>	<u>Economic Development Administration</u>	<u>Region B</u>	<u>Public Service Careers</u>	<u>Farmers Home Admin.</u>	<u>Housing &amp; Urban Develop.</u>	<u>Total</u>
<b>Encumbered Contracts</b> .....	-0-	\$11,096	\$ 2,460	*\$32,200	\$27,284	\$17,300	\$ 90,340
<b>Staff Support:</b> .....	11,096	72,064	25,008	20,629	19,551	18,709	167,057
Personnel .....	6,244	46,994	14,079	12,825	13,983	12,155	106,280
Personnel Burden .....	616	4,770	1,495	1,280	1,127	1,154	10,442
Travel .....	1,995	6,700	3,335	2,875	620	2,000	17,525
Overhead .....	2,241	13,600	6,099	3,649	3,821	3,400	32,810
<b>TOTAL</b> .....	<b>\$11,096</b>	<b>\$83,160</b>	<b>\$27,468</b>	<b>\$52,829</b>	<b>\$46,835</b>	<b>\$36,009</b>	<b>\$257,397</b>

1971 Revenues .....

\$272,077

1971 Expenditures .....

\$257,397

Extended Grant .....

\$ 14,680

Balances \*\*

\* Training Expenses

\*\*Grant Agreements not consistent with Commission calendar year.

### PROJECTED REVENUES

**Year Ending December 31, 1972**

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
E.D.A. ....	\$ 59,082		* \$ 28,434	<u>\$ 87,516</u>
H.U.D. ....	29,007		* 15,000	44,007
JUSTICE ....	29,039		* 2,904	31,943
DRUG ABUSE ....	21,399			21,399
BASIN PLAN ....	85,821		85,821	171,642
SOLID WASTE ....			100,141	100,141
PSC ....	**10,296			10,296
FHA ....	***49,543			49,543
ARDC SUPPORT: Legal and Administrative Consultants ....			* 10,300	10,300
	<u>\$284,187</u>		<u>\$242,600</u>	<u>\$526,787</u>

\* Tax Levy (Except \$3338 of EDA Local is In-Kind Service)

\*\* Through April 29, 1972

\*\*\* Through March 31, 1972

### ESTIMATED EXPENDITURES — BUDGET

**Year Ending December 31, 1972**

	<u>EDA</u>	<u>HUD</u>	<u>Justice</u>	<u>Drug Abuse</u>	<u>Basin Planning</u>	<u>Solid Waste</u>	<u>ARDC</u>	<u>PSC</u>	<u>FHA</u>	<u>Total</u>
Direct Salaries ....	\$41,775	\$22,888	\$15,571	\$12,088	\$ 40,046	\$ 1,681	\$ 0	\$ 3,418	\$ 840	\$138,307
Released Time and Fringe Benefits (21.91%) ....	9,153	5,015	3,411	2,647	8,774	368	0	748	183	30,299
<b>TOTAL PERSONNEL COSTS</b> ....	<b>\$50,928</b>	<b>\$27,903</b>	<b>\$18,982</b>	<b>\$14,735</b>	<b>\$ 48,820</b>	<b>\$ 2,049</b>	<b>\$ 0</b>	<b>\$ 4,166</b>	<b>\$ 1,023</b>	<b>\$168,606</b>
Indirect Expenses (40.9%)* ....	20,808	11,400	7,756	6,020	19,946	837	0	1,703	418	68,888
Other Direct Expenditures ....										
Encumbered Contracts ....	0	0	2,500	0	95,000	90,000	10,300	0	45,000	242,800
Printing ....	1,500	1,500	0	0	5,000	4,000	0	0	3,000	15,000
Travel ....	8,000	1,500	2,705	644	1,000	1,500	0	2,000	102	17,451
Miscellaneous ....	6,280	1,704	0	0	1,876	1,755	0	2,427	0	14,042
<b>TOTAL EXPENSES</b> ....	<b>\$87,516</b>	<b>\$44,007</b>	<b>\$31,943</b>	<b>\$21,399</b>	<b>\$171,642</b>	<b>\$100,141</b>	<b>\$10,300</b>	<b>\$10,296</b>	<b>\$49,543</b>	<b>\$526,787</b>

\*40.857384%

## Advisory Committees

Four new committees on environment, housing, economic development and criminal justice have been appointed by ARDC Chairman Joseph Veranth. Members of the committees were selected for their expertise. The committees will advise the Commission in its planning considerations.

Three members of each committee, including the chairman, are also members of the ARDC.

The committees and the memberships are as follows:

Housing — William Marshall, Gaylord Bridge, Cliff Gravelle, Alice Nettell, Fred Boeckh, Joe Dubovick, Lynden Osgood and Howard Reed.

Environment — Arlene Lehto, Kelly Campbell, Henry Koistinen, Walter Stock, Oscar Bergstrom, Mike Lubratovich, the Rev. Paul Johnson.

Economic Development — Vincent Gentilini, Jerry Jubie, Cliff Campbell, Arthur Barschdorff, Jim Hull, Claude Titus.

\*Criminal Justice — Marvin Marklund, Doug Bourgeois, Maynard Raun, Ray Julien, John Muhar, Judge Robert Campbell and William Fleischman.

\*(The Criminal Justice Committee may be replaced in the near future by the Region B Advisory Council of the Governor's Commission on Crime Prevention and Control.)

## Looking ahead...



Looking ahead to 1972 and beyond presents a challenge that is unprecedented in the short history of the regional community approach to decision making. The Commission's work program for 1972 takes a broad overview of the total economic, social and environmental factors that have a direct bearing on the advancement of the quality of life in the Arrowhead Region. Our responsibilities in basin, water-sewer, park, regional and criminal justice planning will give us the prospective necessary to cope with our changing environment. It is generally understood that large amounts of capital investment — not only from the federal and state but from local government — must be made in the next decade to overcome the problems of pollution, unemployment, inadequate housing and an array of other related problems. The necessary expenditures of public funds will be tremendous. Therefore, priorities based on knowledge must be stated — and adhered to — in order to insure the appropriate expenditure of public capital. The stewardship of our resources, human, physical and natural, is everyone's concern; proper allocation of these resources is the key to future progress.

A handwritten signature in blue ink that reads "Rudy R. Esala".

RUDY R. ESALA  
Executive Director



ARROWHEAD REGIONAL DEVELOPMENT COMMISSION / 900 ALWORTH BUILDING, DULUTH, MINNESOTA 5