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Arrowhead Regional
Development Commission

1982-83 Annual Report

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ARROWHEAD REGIONAL DEVELOPMENT COMMISSION



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August 15, 1983

To the Reader:

It is my pleasure to present to you the Arrowhead Regional Development Commission's 1982-83 Annual Report. I hope you find it interesting and informative.

One noticeable difference between this Annual Report and last year's is that this Report does not include a regional calendar. Nevertheless, we are aware that many throughout the Region like the idea of having a calendar of regional activities, and we are accordingly planning to produce a 1984 calendar late this Fall. The new activities calendar will run from January to December, and future ARDC calendars will follow the same schedule.

Please feel free to contact us if you have any questions or comments regarding this report.

Sincerely,

David A. Martin
Executive Director

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This Report contains an overview of ARDC's efforts from July 1982 through June 1983. It is intended to provide a brief insight to ARDC's structure and programs during that period. Readers are encouraged to contact ARDC by mail or phone if they have any questions or desire for more in-depth information.

Chairman's Letter

While the economic recession seems to be turning around in many parts of the nation and Minnesota, the northeastern part of our state continues to face economic depression. The problems remain difficult, especially in regard to the future of our iron mining industry, but there is reason for cautious optimism.

In the public sector, Congressman Oberstar, Governor Perpich, and the area's legislative delegation are to be commended for assembling a remarkable array of assistance programs for the Region. These programs address both the short term human needs of those families who have lost their incomes, and the longer term economic development and diversification efforts needed to replace jobs permanently lost to the area. Significant financial assistance is now available to help existing businesses, to spur initiation of new businesses, and to expand utilization of the areas' fundamental resources. Communities throughout the Region are organizing themselves for self-help economic development efforts.

In the private sector, it now appears that the Region's wood products industry is making a positive turnaround and is likely to undergo significant expansion. Our tourism industry is a sleeping giant, now being awakened by economic necessity. The development of mini-steel mills on

the Iron Range is being actively and seriously analyzed. Local businesses, such as Hibbing Electronics and Moffatt Industries in Cook County, are demonstrating that new technology industries can be developed in northeastern Minnesota, can produce high quality products at a profit, and can compete effectively in markets as far away as Dallas and Japan.

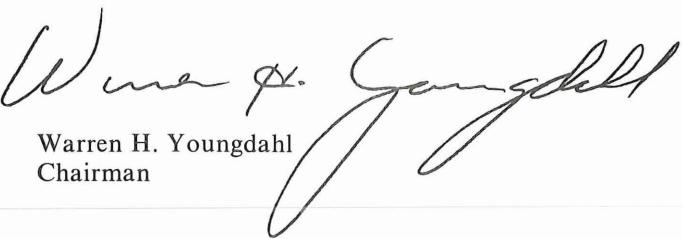
At ARDC, we have expanded our resources devoted to economic development. We are providing assistance to local units of government and organizations, both in securing available state and federal development funds and in pursuing significant development opportunities. We are committed to work cooperatively with other development organizations to ensure coordination of efforts and to maximize available resources.

As an agency which has had to address its own economic issues over the past several years, we are acutely aware of the necessity to put scarce resources to their best and most productive use. In that regard, I am extremely pleased to inform you that as of June 30, 1983, ARDC is operating financially in the black, and that we will complete repayment of our loan to the State this year, ahead of the original repayment timeline.

I believe that a close parallel can be drawn between ARDC's experience over the past four years and the experience of the Chrysler Corporation. Both organizations suffered severe economic setbacks, both received public loan assistance to help them recover, and both will have their loans fully repaid this year. It is important to note that neither organization looked upon the aid they received as a means for allowing the continuation of "business-as-usual." Both organizations viewed the assistance they received as an opportunity to reassess their directions and to refocus their activities. I think there is a lesson to be learned in this, and I am very encouraged to see that so many of the local economic recovery efforts within the Region are seriously exploring new directions and refocused activities.

With the continued support of our local units of government, elected officials and constituent interests, ARDC can and will remain "on target" in its service to northeastern Minnesota.

Sincerely,



Warren H. Youngdahl
Chairman

Introduction

Staff

ADMINISTRATION

David A. Martin, Executive Director
Barbara Lucia, Executive Secretary

OPERATIONS

Thomas Renier, Director of Operations
Larry Anderson, Public Information Specialist
Bob Lundberg, Cartographer
Barbara Solin, Senior Bookkeeper

HEALTH AND HUMAN SERVICES

Terry Hill, Director
Ann Vaillant, Secretary

Social Services

Kathy Johnson, Manager
Cindy Conkins, Associate Planner
Stan Kaitfors, Planner
Dave Knutson, Associate Planner
Diane Levitt, Associate Planner
Patty Povich, Secretary

Health/Emergency Medical Services

Terry Hill, Manager
Greg McDonald, Associate Planner
Jake Peters, Senior Planner

ECONOMIC DEVELOPMENT

Dick Loraas, Director
John Elden, Associate Planner
Greg Sandbulte, Planner
Resa Gilats, Secretary

COMMUNITY AND RESOURCE DEVELOPMENT

Dick Ilse, Director
Cindy Fransen, Secretary
Nancy Hanson, Secretary

Community Projects/Range Field Office

Randy Lasky, Manager
Joe Dougherty, Associate Planner
Brad Jurkovich, Planner

Transportation

Katie Turnbull, Manager
Linda Zemotel, Senior Planner

Regional Development

John Powers, Manager
Tom Davis, Associate Planner
Mary Durward, Senior Planner
John Gephart, Senior Planner
Karen Lyons, Planner
Vicki Wood, Planner

The past year has been one of challenge and change at ARDC. Major economic problems and evolving realities in the seven-county Arrowhead Region of northeastern Minnesota forced the Commission in 1982-83 to target its resources in new directions, in a broad attempt to meet emerging needs while maintaining traditional programs and services.

A significant new development at ARDC in 1982-83 involved meeting the necessity for improved communication and understanding between the Commission and its constituents, as described in ARDC's self-evaluation of 1981. A Local Government Contact Program was initiated in the past year to bring ARDC closer to local government officials and community organizations. The Contact Program provides ARDC with the opportunity to hear first-hand about local issues and opportunities, share information about current ARDC programs, and answer questions about the agency. Meetings are conducted each month in a different county, with local elected officials, economic and social development representatives, and other concerned citizens gathering to hear about ARDC and to cooperatively discuss their own local issues.

As of this writing, Contact meetings had been held in Cook, Itasca, Lake, and northern St. Louis Counties. Meetings for Koochiching, Aitkin, Carlton, and southern St. Louis Counties were being planned for the second half of 1983. It is anticipated that at least one Contact Program meeting will be held each year in each county of the Arrowhead Region.

Another major new development at ARDC this past year was the adoption of a policy allowing for the establishment of ARDC field offices in those areas of the Region where there is local interest and support at a level sufficient to assure continuity of operations. Following the adoption of this policy in February 1983, it was determined that the first field office would be located on the Iron Range, due to the severity of the economic and community problems in that area, and because a significant number of ARDC local assistance projects were already underway or being developed there.

Staff for the first field office were hired in early Spring 1983, and were initially assigned to ARDC's Duluth headquarters for orientation and training. The staff moved to temporary quarters at the IRRRB office in Eveleth in early July, with plans to settle into permanent quarters in the Virginia area by the end of summer 1983. Once that field office is up and running, other sites in the Region will be considered by ARDC for future staff placement.

Still another indication of ARDC's commitment to meet emerging and changing needs was a major staff reorganization into the divisions listed at the left of this page. Primary among the changes was the establishment of a new Economic Development Division as well as an expansion of staff resources committed to community assistance and economic development programs. Also introduced was a new position for a regional forestry specialist, reflecting ARDC's recognition of the growing significance of that industry.

ARDC will continue to address the needs of the Region in the coming year, with much reliance placed on the dedicated elected officials and private citizens serving on the Commission, Board, Advisory Committees, and project Task Forces.

Board of Directors



Vincent Gentilini
Virginia



Harriet Headley
Twig



Lloyd Houle
Silver Bay



Marilyn Krueger
Duluth



Gary Lamppa
Mt. Iron



Jack La Voy
Cloquet



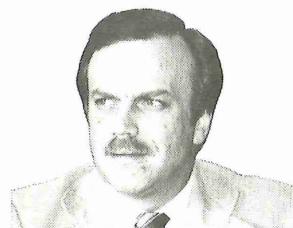
Clarence Maddy
Duluth



Colleen Nardone
Grand Rapids



Innis Nesbitt
International Falls



Kjell Rodne
Duluth



L. H. (Gus) Schroeder
Hill City



Ronald Sherer
Grand Portage



James Thompson
Grand Marais



Warren Youngdahl
Marcell
Chairman



Armas Yuhala
Nashwauk

Also served on the Board during 1982/83

Wayne Bailey, Pengilly
Fred Barrett, Hibbing
Ed Hoff, Virginia
Michael Zilverberg, Aitkin

Commission

Officers

Chairman, Warren Youngdahl, Marcell
Vice Chairman, James Thompson, Grand Marais
Secretary, Harriet Headley, Twig
Treasurer, Kjell Rodne, Duluth

PUBLIC INTEREST

Minorities

Indian Reservations
Duane Deschampe, Grand Portage

Low Income

Vincent Gentilini, Virginia

At-Large

Doris Isham, Nett Lake

Human Resources

Public Sector
Marcia Trumbull, Silver Bay

Private, Non-Profit Sector
Carol Haney, Eveleth

At-Large

Harriet Headley, Twig
Richard Prebich, Eveleth

Economic Resources

Industry
Robert Sederberg, Duluth

Small Business
Jon Waters, Ely

Labor
John Erickson, Duluth

At-Large
James Bovis, Cloquet

Physical Resources

Planning Commissions
open

Special Districts
open

Environmental
Loren Rutter, Kinney

At-Large
Robert Anderson, Two Harbors

Citizens At-Large
Trix Wyant, Palisade
Margaret Morris, Grand Marais

METROPOLITAN INTERSTATE COMMITTEE

Steve Goldfine, Duluth

SCHOOL BOARDS

Walter W. Culbert, Jr., ISD #706, Virginia
Donald Grubich, ISD #703, Mt. Iron

AITKIN COUNTY

Mary Lou Kimball, Mayor, Hill City
Florence Saari, Townships, Jacobson
L. S. (Gus) Schroeder, County Commissioner, Aitkin

CARLTON COUNTY

Melvin Tan, Mayor, Cloquet
Raymond Lally, Mayor, Cromwell
David Erickson, Townships, Cloquet
Jack LaVoy, County Commissioner, Cloquet

COOK COUNTY

Darold Rosbacka, Councilperson, Grand Marais
Robert Silver, Townships, Schroeder
James Thompson, County Commissioner, Grand Marais

ITASCA COUNTY

Vincent Nyberg, Mayor, Coleraine
Warren Youngdahl, Townships, Marcell
Armas Yuhala, County Commissioner, Nashwauk

KOOCHICHING COUNTY

Beverly Alexander, Mayor, Island View
Clarence Sundberg, County Commissioner, International Falls
Innis Nesbitt, County Commissioner, International Falls

LAKE COUNTY

Robert Kind, Mayor, Silver Bay
Bonnie Anderson, Townships, Beaver Bay
Lloyd Houle, County Commissioner, Silver Bay

ST. LOUIS COUNTY

Kjell Rodne, Councilperson, Duluth
Mario Retka, Councilperson, Hibbing
Henry Pappone, Councilperson, Virginia
Frank Cerkvenik, Mayor, Mt. Iron
Don Anderson, Townships, Cotton
Gary Cerkvenik, County Commissioner, Virginia
Marilyn Krueger, County Commissioner, Duluth

Past members who served during 1982/83

Shirley Mihelich, Physical Resources-Planning Commissions, Hibbing
Walt Seeba, Physical Resources-Special Districts, Hibbing
Dennis Karp, School Boards, ISD #93, Carlton
Rick Salmela, School Boards, ISD #317, Deer River
Carol Norris, Mayor, Aitkin
Michael Zilverberg, County Commissioner, Aitkin
Arlene Wolner, Mayor, Cloquet
Gene Erickson, Councilperson, Grand Marais
Wayne Bailey, County Commissioner, Pengilly
Kenneth Nelson, Mayor, Beaver Bay
James Collins, Mayor, Hibbing
Helmer Ruth, Mayor, Hermantown
Ed Hoff, County Commissioner, Virginia
Bill Kron, County Commissioner, Duluth

Advisory Committees

Economic and Community Development

Maureen Bye, Duluth, Chair
Jack Banke, Eveleth
James P. Bovis, Cloquet
Glen C. Brand, Marcell
Judith Byman, Virginia
Doug Grindall, International Falls
Dennis Jensen, Duluth
Keith Johnson, Two Harbors
Betty Larson, Cloquet
Dr. Gordon Levine, Duluth
Jerry Marks, Duluth
Margaret Matalamaki, Grand Rapids
Kenneth Nelson, Beaver Bay
Alice Nettel, Virginia
Gordon Newstrom, Grand Rapids
James Nynas, Cloquet
Rodney Salo, Aurora
Robert Sederberg, Duluth
Robert Silver, Schroeder
Stanley Sime, Grand Rapids
Dushan Skorich, Bovey
Eugene Skraba, Hibbing
Jon Waters, Ely
Trix Wyant, Palisade

Forestry Committee

Darrell H. Lauber, Grand Rapids, Chair
Bruce Brown, Cloquet
Archie Chelseth, Cloquet
James Hall, Lutsen
Wes Hedstrom, Maple Hill
Tom Houghtaling, Duluth
Roger Howard, Aitkin
Arnold Johnson, International Falls
Robert Johnson, Duluth
Edwin Kallio, Duluth
Marvin Maki, Two Harbors
Ralph Olson, Grand Rapids
L. C. Peterson (Chris) Grand Rapids
Carl Prosek, Grand Rapids
Milo Rasmussen, Carlton
Richard Ross, Duluth
Richard Stapleton, International Falls
Larry Duffy, Duluth
Carl Wegner, Grand Rapids

Emergency Medical Services

Ed Hoff, Virginia, Chair
Stanley Bezek, M.D., Virginia
Mark Carlson, M.D., Duluth
Vera Flavell, Grand Marais
James Green, M.D., Duluth
Jim Heim, Duluth
Harvey Hengel, Duluth
Joseph Koebensky, Virginia
Ted Kubista, M.D., Duluth
William LaFrance, Duluth
Tom Laine, Tofte
David McClure, Deer River
Kevin McNichols, Grand Rapids
Mary Piner, Duluth
Kathy Randall, Virginia
Randy Rehnstrand, Grand Rapids
Bruce Rowe, Duluth
Bill Setter, Silver Bay
James Spang, Duluth
J. Mark Wedel, Aitkin

Aging

Emerald Erickson, Duluth, Chair
Bev Alexander, International Falls
Gilbert Bloomquist, Grand Marais
Carrie Casey, Hibbing
Edith Clemetson, Duluth
Katharine Dahlman, Cromwell
Barbara Dorry, Grand Rapids
Alvin Grosnick, Silver Bay
Dean Headley, Twig
Kermit Johnson, Eveleth
Emelia Kannas, Bovey
Joseph Kiener, Duluth
Beth Koski, International Falls
Ellen Kronschnabel, Duluth
Alice Nettel, Virginia
Lorraine Oberg, Grand Portage
Lawrence Shepard, Bovey
Margaret Sherman, Palisade
Fletcher Thompson, Aitkin
Russell Thompson, McGregor
Tom Tjepkema, Duluth
Jerry Turnquist, Cloquet
Joe Wiesinger, Duluth
Gertrude Wilber, Two Harbors
Shirley Zaverl, Duluth
Vi Zeman, Grand Marais
Harriet Headley, (Ex-officio), Twig
Art King, (Ex-officio), Duluth
Jerome Benson, (Ex-officio), Duluth

Land and Natural Resources

Loren Rutter, Kinney, Chair
Herb Anderson, Virginia
Robert Anderson, Two Harbors
Bruce Benson, Carlton
Bruce Brown, Cloquet
Ron Dvorak, Cloquet
David Erickson, Cloquet
Terry Greenside, Grand Rapids
Ed Hanson, Two Harbors
Bob Holmes, Duluth
Mel Johnson, Tamarack
Tim Kennedy, Grand Marais
Carl Kjemerud, Littlefork
Jack Lavoy, Cloquet
Ruth McLinn, International Falls
Shirley Mikelich, Hibbing
Margaret Morris, Grand Marais
Vincent Nyberg, Coleraine
Robert Schaar, Talmoon
Walter Seeba, Hibbing
Dick Stapleton, International Falls
Mel Tan, Cloquet

Developmental Disabilities

Helmi Lammi, Duluth, Chair
Delores Christensen, Grand Rapids
Inez Erickson, Duluth
David Felske, Cloquet
Gayle Gilbertson, Aitkin
Wendy Hansen, Grand Marais
Raymond Hill, Tower
Dolores Johnson, Two Harbors
Greg Kestly, Hibbing
Gerald Larson, Duluth
Virginia Marolt, Gilbert
Patricia McGath, Eveleth
Mabel Schauland, Duluth
Anne Swanson, Moose Lake
Alyce M. Thureen, International Falls
Mary Jo Verschay, Virginia
Randy Vogt, Duluth
Mary Waltenburg, Littlefork

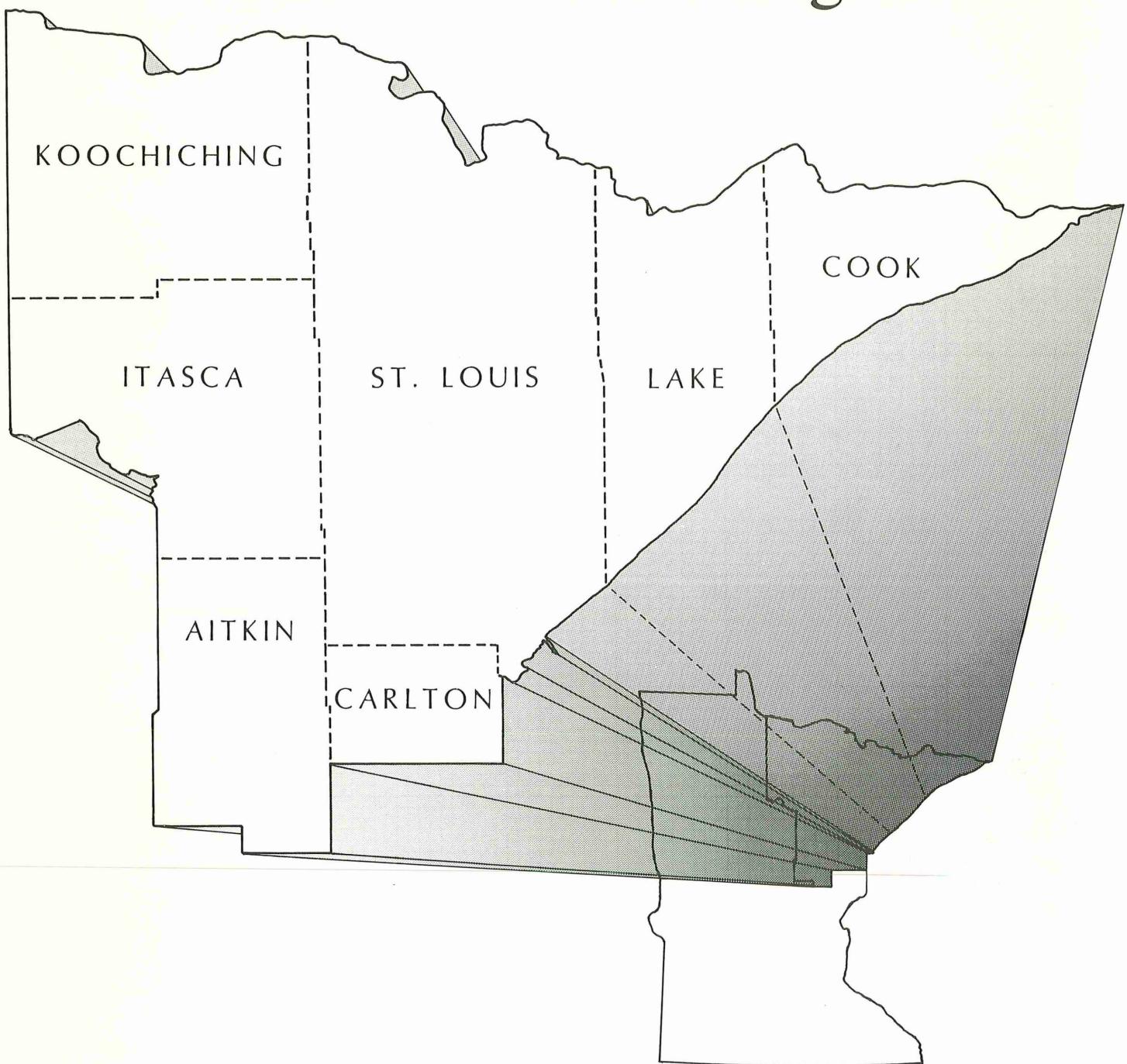
Metropolitan Interstate Committee

Betty Hetzel, Douglas County, Co-Chair
Peg Sweeney, Proctor, Co-Chair
Earl Elde, Townships
David Frank, Superior
Steve Goldfine, Duluth
James Hakala, Duluth
Elnora Johnson, Duluth
Rosemary Lear, Douglas County
William Lehman, Superior
Robert L. Paine, Superior
Roy E. Peterson, Superior
Richard Rookey, Douglas County
Helmer Ruth, Hermantown
Lloyd Shannon, St. Louis County
Jim Shearer, Duluth
Alida Viele, Townships
George Wallace, Douglas County

Small Business Task Force

Wally Baker, Duluth
Ron Dysvick, Duluth
Jim Eberius, Aitkin
Gene Glader, Grand Marais
Wes Hedstrom, Grand Marais
Keith Johnson, Two Harbors
Paul Kess, Ely
Sandra Kirmser, Nashwauk
Warren Lagerquist, Hibbing
Mary J. Mathews, Hibbing
Ralph Lester Miller, Deer River
Larry Syck, Duluth
Jody Vinopal, Cloquet
Dennis Wain, Virginia

The Arrowhead Region



- * 23% of Minnesota's land (19,496 square miles)
- * 8.4% of Minnesota's people (343,281)
- * labor force of approx. 143,000 persons
- * 175 townships
- * 73 cities
- * 7 counties
- * 37 school districts (approx. 53,000 students)
- * 1 university (U. of Minnesota-Duluth)
- * 1 private college (St. Scholastica)
- * 5 community colleges
- * 3 vocational-technical institutes
- * 62.4% of Region's land is under public ownership
- * 1 national wilderness area (BWCA-1,080,500 acres)
- * 1 national park (Voyageurs—219,000 acres)
- * 2 national forests (Superior and Chippewa)
- * 20 state forests
- * 23 state parks
- * 57% of Minnesota's commercial forest lands
- * 43% of Minnesota's peat lands
- * 25% of Minnesota's lake and river accesses
- * 26% of Minnesota's resorts
- * 13,650 miles of highway
- * 8 taconite plants (production capacity 64 million tons)
- * 1,121 miles of rail line
- * 4 ports
- * Second largest metropolitan area in the state

Community Development

1982-83 Highlights:

- Hibbing worked with ARDC to conclude a two-year planning process resulting in an updated land use plan, zoning ordinance, and five-year capital improvement program.
- Moose Lake received ARDC assistance in initiating the third phase of its downtown revitalization program with development of an abandoned right-of-way for new businesses.
- International Falls and South International Falls, utilizing ARDC resources, moved closer to the first city-city consolidation in Minnesota in 20 years.
- Eighteen communities in the Region applied for Community Development Block Grants; nine received assistance from ARDC, and six were awarded grants totaling more than \$3.7 million.



It was a sign of the times in 1982-83 that communities around the Arrowhead Region were working to improve their own methods of providing services and managing resources more effectively than ever before. Major changes in the availability of state and federal funding combined with a generally recessed economy to force local lenders to adapt to the times, take progressive action, and utilize professional support resources.

The times did not go unheeded at ARDC, where programs were refocused to make the Commission better able to meet its responsibility to serve local units of government. During the past year, ARDC initiated and completed an extensive inventory of community facility project needs, and in so doing established a new foundation for providing expanded community development assistance.

Community Development Block Grant Assistance

The Arrowhead Region had the largest number of Small Cities Community Development Block Grant applications in the State of Minnesota this past year, and success in obtaining the grants was the greatest since such grants first became available at the state or federal levels. ARDC gave direct assistance to nine cities in preparing CDBG applications, and six of 18 Arrowhead communities applying for grants received funding totaling \$3,794,489. The cities of Hibbing, Mountain Iron, Aitkin, Palisade, Ely, and Moose Lake all went into the application stage with well-planned projects, and this front-end planning proved to be the key to success.

One of several examples of good planning at the community level is the City of Moose Lake, which completed a land use and downtown redevelopment planning program a year ago with ARDC assistance. The information and project priorities stemming from that process enabled Moose Lake to prepare a solid CDBG application which was funded to revitalize an abandoned railway corridor within the central business district. The city is continuing to receive assistance from ARDC in administration of the \$350,000 grant.

Another example of a community focusing and coordinating its time and resources is the City of Hibbing, which in the past year received ARDC assistance in completing an updated land use plan, zoning ordinance and five year capital improvements program. The project grew out of Hibbing's annexation of Stuntz Township, and now the city can move progressively into the future with its first-ever capital improvements program. The value of such planning is evident, as Hibbing and ARDC were able to use the city's policy direction and priorities to write a successful CDBG grant application for a \$600,000 economic development revolving loan fund.

Community Consolidation Assistance

A number of communities around the Region have begun to look at ways to combine service delivery systems and cut operating costs. The most visible of these are International Falls and South International Falls, which have been working with the Commission for more than two years to consolidate the two communities into one. Preliminary feasibility work has been completed and the cities are in the final stages of forging a negotiated consolidation agreement to include the sharing of facilities, equipment, and responsibility for delivery of services.

ARDC is also working with the cities of Bovey and Coleraine on a slightly different consolidation effort.

Those two cities are assessing the feasibility of combining their police, fire, and street departments as a step toward better service provision and cost savings.

Energy Planning Assistance

International Falls, Koochiching County, Grand Marais and Cook County focused some of their resources this past year on investigating the potentials of district heating, burning alternative fuels such as peat and wood residue, and the landfilling of waste as means to significant cost savings. ARDC completed a preliminary district heating feasibility study for the International Falls area and is nearing completion of a similar but expanded effort in Grand Marais.

Range Star Cities Program

During the past year, ARDC provided support to the Range Economic Development Council, which in the spring of 1983 cooperated with the Iron Range Resources and Rehabilitation Board and the Range Association of Municipalities and Schools to initiate the Range Star Cities Program. The Program is a self-help economic development planning tool designed specifically as an aid to communities wishing to prepare for and achieve economic growth. It involves an ambitious set of goals for communities to meet, such as completion of a community economic assessment, completion of a five-year capital improvements program, and completion of a one year action program for the community or multi-community area.

Upon completion of the program, a community is certified as a "Star City," and as such stands to gain valuable inclusion in all regional and state promotional efforts. The status isn't all promotional, either. With completion of Star City requirements, a community or group of communities will have the tools in place to effectively address economic development opportunities, whether they involve start-up, expansion, or recruitment.

Already by the time this Report went to press, the cities of Aurora and Hoyt Lakes, White Township and School District No. 691 were establishing a Joint Powers Board to work with ARDC in completing Star Cities Program requirements. Other communities, including Hibbing, Grand Rapids, Gilbert, Silver Bay, and Cook County/Grand Marais were also considering program initiation. ARDC is looking forward to working with any community in the Region wishing to become a Star City, because the benefits are obvious in these times requiring communities to take aggressive action in order to survive and prosper.

Information Services

1982-83 Highlights:

- ARDC was designated as an affiliate census data center by the Minnesota Department of Energy, Planning and Development.
- A computerized emergency medical services ambulance run data system was devised and implemented at ARDC for the Region's medical service providers.
- ARDC received a grant to begin development of a microcomputer-based inventory control system for municipal liquor stores, a system expected to result in cost savings for smaller municipalities.
- A microcomputer program to monitor child support payments was developed at ARDC for Aitkin County's Social Service Department.



In 1982 ARDC brought itself into the mainstream of high technology applications with the purchase of two five-terminal microcomputer systems. These systems, used in-house for word processing, financial management, data processing and a host of other functions, have brought the Commission to the point where it stands ready to assist local governments and organizations in their own attempts to make the technological leap into the computer age.

This microcomputer capability is perhaps the most illustrative of ARDC's adaptation to emerging realities in the Arrowhead Region. To meet the real needs of the Region in the future, it will be necessary to maximize the potential of all resources by utilizing the latest management techniques. A summary of ARDC's activities in the microcomputer field during the past year shows that the Commission is indeed on target in its long-term development efforts.

Aitkin County Software Design

Aitkin County's Social Service Department was experiencing difficulties in monitoring child support payments with a limited staff; administrators there told ARDC that it was virtually impossible to keep up with their case load, as state and federal agencies required numerous reports, delinquent parents created the necessity for repeated follow-up, and the County was forced to provide financial support for those cases in which parents did not pay.

It was determined that the problem lay in the County's lack of an efficient, time-saving method for keeping track of the accounts. Working together with personnel from the County's Family Services Department, ARDC developed microcomputer software designed to fit Aitkin County's needs. Following demonstration and trial, the County decided to invest in a microcomputer system. Now that the new child support payment procedure is in place, Family Services administrators say they have great hopes for other uses for their system.

Ambulance Run Report System

In 1981, the Minnesota Department of Health gave up on its efforts to supply timely reports summarizing the information contained in ambulance run reports. Various problems made it difficult for the Department to provide the information in a timely manner; the reports were sometimes being distributed a year or more after the end of a quarter.

ARDC's Emergency Medical Services Program recognized the need for this kind of information for both regional and local planning purposes. During the past year, the Commission worked with the University of Minnesota-Duluth to develop a system to collect and disseminate the information. The system came on line in the first quarter of 1983, and was significantly speedier than the old State system; the time lag from the end of the first quarter to the distribution of all reports was less than thirty days.

Transportation Applications

The Duluth Transit Authority's (DTA) first introduction to microcomputers came when its office employees payroll was put on ARDC's micro system. Since that time, the DTA has relied on the Commission to assist in the purchase of its own microcomputer system, to expand the payroll system to include its bus drivers, and to perform various data base management and other functions.

The DTA now uses the microcomputers to monitor transportation statistics including rider characteristics and cost data for STRIDE (the transportation system for handicapped riders), and bus passenger information which is used to determine necessary changes in routes and shelter location.

Computerized Inventory Control

In June 1983, ARDC received a grant from the Minnesota Intergovernmental Information System Advisory Council (IISAC) for phase I of a project which will lead to development of a computerized inventory control system for municipal liquor stores. The microcomputer-based system is expected to result in increased savings, especially for smaller municipal liquor stores, by enabling managers to keep inventories at appropriate levels.

The Commission will be working with five municipal liquor stores in Minnesota to determine what features would be desirable in an inventory control system; ARDC will then write the specifications for computer equipment to be purchased by municipalities interested in using the system.

Census Data

As a designated Affiliate Census Data Center, ARDC is responsible for maintaining census bureau publications and providing assistance to users in locating and understanding census data. During the past year the Commission has received and filled many requests from local units of government and others for 1980 census information.

Two workshops were sponsored by ARDC during the year, one for persons with little census background who needed to increase their understanding of income and employment data, and another for intermediate level census users wishing to update their knowledge of planning uses for census data.

Other Technical Assistance

One of the problems faced by local governments and organizations when they begin to think about purchasing microcomputers is the uncertainty about whether or not such a purchase will be cost-effective for them. Another problem is simply making sense out of the myriad options available: what type of hardware, what type of software, which computer vendor to choose . . . all these questions make it difficult to make the initial decision to computerize.

ARDC is ready to assist those facing such questions. Several local units of government (Grand Rapids, Grand Marais, and Cook County among them) have requested assistance from ARDC and have received consultation and demonstrations of micro applications.

ARDC also has been leading the way for other regional development commissions in Minnesota. The East Central Regional Development Commission based in Mora has contracted with ARDC to assist in studying the feasibility of microcomputers for that agency, developing specifications for a system, and setting up a training program once the system is purchased.

Economic Development

1982-83 Highlights:

- More than 280 regional businesses received technical assistance from ARDC's Small Business Assistance Program.
- The City of Duluth, with ARDC assistance, received a \$620,000 Urban Development Action Grant for development of a West Duluth shopping center.
- Cook County and Grand Marais leaders took part in a major Economic Development Leadership Conference conducted by ARDC.
- ARDC assisted 31 communities and counties with EDA grant applications for projects with total funding needs of \$32 million and potential for creating hundreds of new jobs.



EDA Technical Assistance

One of ARDC's traditional roles in economic development is assisting local units of government and other organizations in securing federal Economic Development Administration (EDA) grants. The 1982-83 year was no different, as the Commission applied its new Economic Development Division's resources to various regional projects ranging in focus from research to tourism. A total of 31 communities and counties received ARDC assistance in preparing grant applications with total funding requests of \$32.6 million and potential for creating hundreds of new, permanent jobs.

The University of Minnesota-Duluth (UMD) was assisted in preparing a \$1.8 million Title I Public Works Grant application for a project to convert the SAGE Building at the closed Duluth Air Force Base into a Natural Resources Research Institute. ARDC helped present the application to the EDA regional office in Chicago in June 1983.

The Iron Range Resources and Rehabilitation Board (IRR RB) assisted in preparing a \$1 million Emergency Jobs Act grant application to finance the construction of an outdoor amphitheater at the Iron Range Interpretative Center in Chisholm. ARDC also worked intensively with Interpretative Center staff in preparing a state Community Development Block Grant application to fund a new parking lot at the Center.

The city of Two Harbors and Lake County were assisted in the preparation of a joint grant application for approximately \$658,000 in Emergency Jobs Act funds. The grant, if awarded, will help finance interior restoration of the Lake County Depot Museum and restoration of the historic tugboat Edna G.

Small Business Assistance

ARDC took the first steps this past year in bringing some new financial tools to work on small business financing issues. The Arrowhead Regional Development Corporation (ARDCorp) was created in June 1982 by ARDC to review and recommend Small Business Administration (SBA) 503 loan applications, and in the first part of 1983 the first two loans were accepted and sent on to SBA for final approval. SBA 503 loans are designed specifically to enable small businesses to secure long-term, low interest financing for expansion projects.

The two projects approved by ARDCorp involve total funding of \$610,000 and the creation of 12 new private sector jobs in Grand Rapids and International Falls.

In July 1983 the ARDCorp was working on several additional proposals with total funding needs of \$1.5 million.

A year ago, ARDC developed a pilot program to provide technical management assistance to small businesses in the Region. The response from small business owners was dramatic in 1982-83, as 281 businesses requested various forms of assistance under the program. A Small Business Task Force composed of representatives from a number of agencies and organizations skilled in management coordinated the direct assistance given to the small business owners.

Some participants in the Assistance Program enrolled as students in the Small Business Management Program at the Hibbing Area Vocational-Technical Institute (HAVTI). A traveling instructor conducted one-on-one sessions with the business owners on a variety of topics, including bookkeeping, marketing, and cash flow management. ARDC provided partial tuition reimbursement to the students during the year.

On the recommendation of the Small Business Task Force, \$10,000 of ARDC's technical assistance funds were committed in 1983 to help establish two new business instructor positions, one at the Hibbing AVTI and one at the Duluth AVTI. Both new positions will provide on-site, one-on-one instruction.

UDAG Grant Assistance

The City of Duluth received a \$620,000 Urban Development Action Grant (UDAG) with ARDC assistance in the past year. The grant is being used to help finance development of the Spirit Valley Shopping Center in West Duluth, which is a cornerstone in the City's program to completely rebuild and revitalize that deteriorating commercial district.

ARDC also helped the City of Duluth in preparing another UDAG grant application for \$3 million to partially finance the renovation of the historic Fitger's Brewery along the Lake Superior shoreline.

Cook County Leadership Conference

ARDC's first Local Government Contact meeting, held in March in Cook County, not only brought locally perceived issues and opportunities to the forefront, but also led to an intensive two-day Economic Leadership Conference in June. The Leadership Conference, run by ARDC, gave 38 Cook County representatives of business and government a chance to cooperatively discuss their common futures and develop concrete goals for moving the county forward on several fronts.

Participants in the Conference came away with a positive feeling about the future, and uniformly praised the design and conduct of the session. ARDC stands ready to conduct similar conferences in other areas of the Region striving for solutions to current and future economic problems.

Development Council Support

ARDC lent its support in the past year to two newly established development councils in the Region. The Duluth-Superior-Hermantown-Proctor Metropolitan Development Council (MDC), composed of business and labor leaders and the mayors of the four cities, entered its second year with increasing support from the general community to lead metropolitan economic development efforts. Second-year work elements for the MDC include development of a metropolitan area economic development information clearinghouse and establishment of a government contract Procurement Outreach Program to help area businesses break into the federal contract market.

The Range Economic Development Council (REDC) also received support from ARDC in the past year, as it continued to move forward in its development efforts. Chief among the REDC's activities has been assumption of a lead role in development of the Range Star Cities Program, a self-help economic development tool for communities looking to grow and prosper (see page 9 of this Report).

Economic Development Strategy

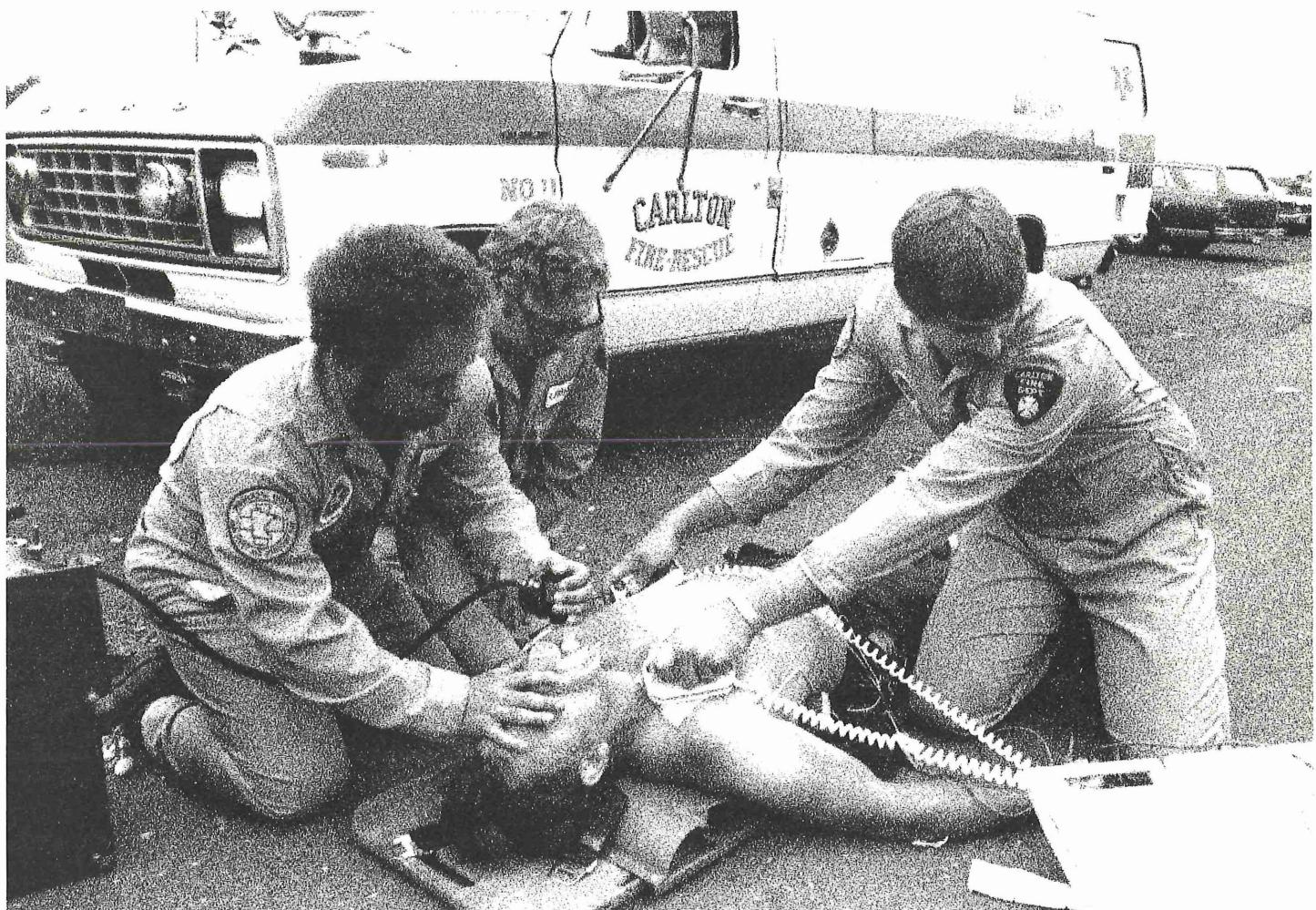
In 1982 the need for a coordinated strategy for economic growth and recovery became well established in the Region. ARDC perceived its role in addressing this need as coordinating the activities of various public and private agencies in economic development, as well as providing research and development support for new and emerging initiatives.

Indicative of the Commission's activities in this regard is its high level of cooperation with the IRRRB in researching and analyzing marketing problems and opportunities for a proposed mini-steel mill on the Iron Range. ARDC is also looking to analyze the existing and potential barriers and costs in the competitive movement of steel products and peat to their respective market areas.

Health

1982-83 Highlights:

- A long-range strategic plan was developed for Aitkin Community Hospital.
- More than 300 medical personnel were trained in Advanced Cardiac Life Support.
- A nationally significant cardiac defibrillation project was initiated in coordination with the Mayo Clinic.
- A regional Advanced Life Support Communications Network was designed and constructed.



In response to changes in health care delivery and financing, and the need for additional regional health resources, ARDC has expanded its regional health role. Over the past year, the Commission has begun major initiatives in the areas of hospital services and long-term care, and has intensified its efforts in emergency medical services.

The Commission's goal is to serve as a comprehensive health care resource for planning, research and development at the institutional, county, and regional levels. The activities of the past year indicate ARDC's commitment to this goal.

Emergency Cardiac Care Research

The past year saw further development and maturation of the Arrowhead Regional Emergency Medical Services (EMS) System. A cardiac research project in conjunction with the Mayo Clinic was designed to assess the feasibility of cardiac defibrillator use by rural emergency medical technicians in the field. A grant from the Charles K. Blandin Foundation of Grand Rapids made it possible for ARDC to train eight northeastern Minnesota ambulance crews in the use of defibrillators, and those crews are now participating in the study.

Preliminary results of the study demonstrate that a significant number of lives are being saved in the Region through the use of defibrillators, which were awarded to ambulance services by ARDC with Blandin Foundation funding. This could have national ramifications, as no rural emergency medical services system in the nation has yet adopted such a sophisticated training and service delivery program.

ARDC has also assisted the University of Minnesota and St. Paul Ramsey Hospitals in the field validation of a major study on acute chest pain and emergency medical technician intervention.

Hospital Services

A major new activity of ARDC's Health Program took shape at the Aitkin Community Hospital during the past year, as the hospital contracted with the Commission for long-range and strategic marketing planning. ARDC has assisted the hospital's Planning Committee in assessing short- and long-range needs, marketing opportunities, and space requirements. Also being assessed are the technological needs of the institution and the computerization opportunities available to meet those needs.

ARDC has continued to work with other hospitals in the Region on the development and advancement of emergency capabilities. The Commission has participated in several research projects designed to assess patient care and patient movement through the emergency medical services system.

Various hospitals in the Region were awarded equipment by ARDC during the past year; the equipment ranged from communications base stations and towers to radios, control consoles, and tape recorders. Several hospitals were also awarded Older American Act Title III grants for development of health programs for senior citizens.

Emergency Medical Provider Training

ARDC has continued to play a leadership role in the training of emergency medical providers. During the past year the EMS program's Advanced Cardiac Life Support

(ACLS) training efforts resulted in a 500 percent increase in the number of ACLS-certified medical personnel in the Region. A similar increase in the number of ACLS instructors was also achieved.

The Commission has additionally been actively involved in providing other emergency training to nurses, physicians, emergency medical technicians, and the general public. More than 200 persons attended ARDC's annual Emergency Medical Technician Symposium held in February 1983 with the Region 9 EMT Association.

Other activities of ARDC's EMS Program in the past year include development of a Regional Critical Care Directory of emergency treatment procedures for use by ambulance and emergency room personnel; the Commission has also begun planning for the development of an Emergency Medical Services Association to provide needed support services for hospitals and ambulance services in the regional EMS system.

Emergency Medical Communications Network

The need for continuous communication between emergency medical technicians in the field and physicians in the hospitals led ARDC to establish a regional advanced life support communications network. This network, scheduled to go on line in the summer of 1983, will allow voice communication between ambulance attendants and medical personnel based in local hospitals and in the regional hospitals in Duluth.

During the past year, communications towers have been erected, ambulance radios have been modified or replaced, and communications and medical control protocols have been developed. It is anticipated that the ability to communicate between ambulances and hospitals will greatly enhance the quality of care in the field as well as enroute to the hospitals.

Long Term Care

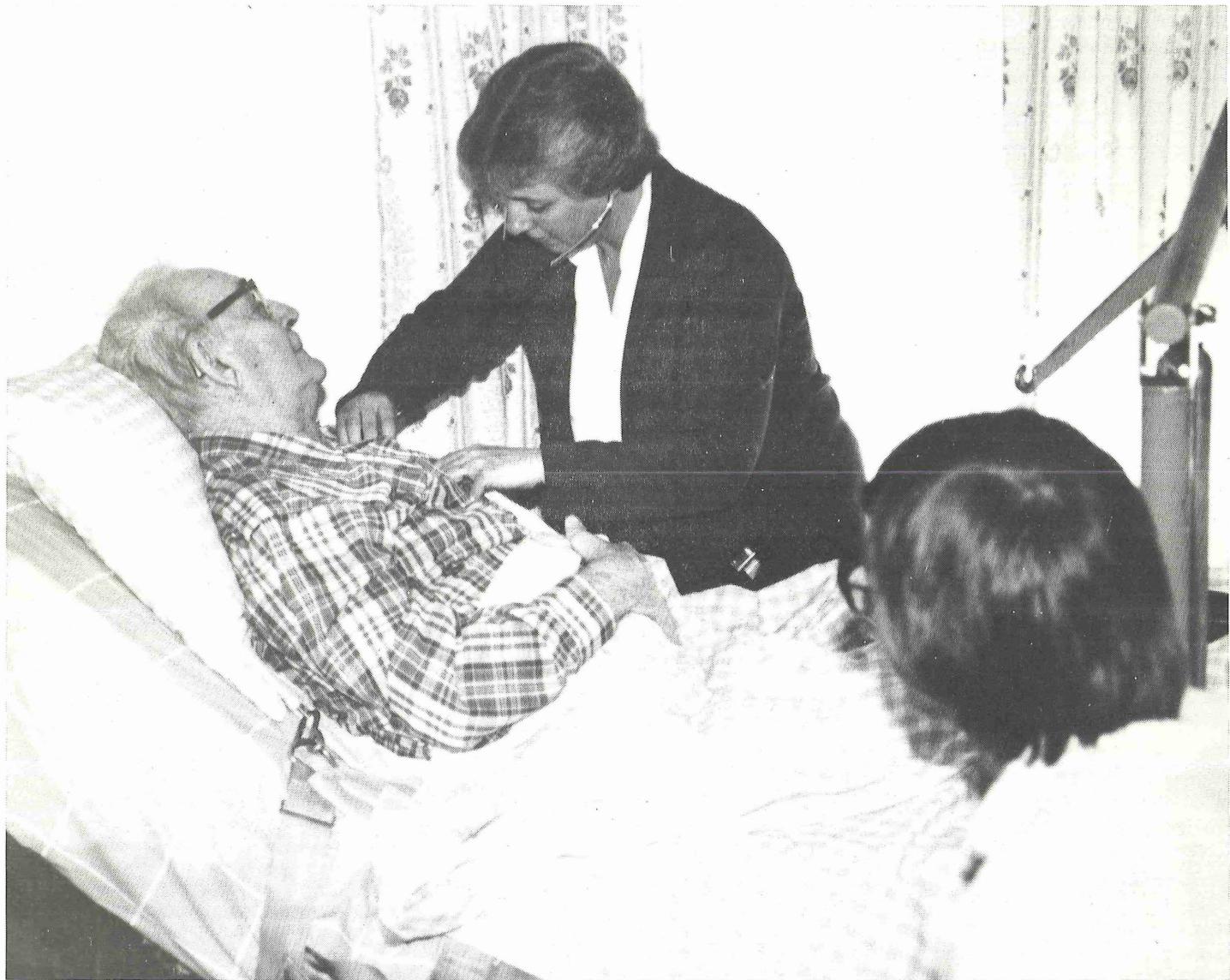
In recognition of the need for a comprehensive, coordinated approach to the provision of long term care in the Region, ARDC initiated in the past year a project to assist counties in developing improved long term care systems. Long term care encompasses a variety of services ranging from health to housing and other social services for the chronically ill over an extended period of time.

The major goals of this project will be to help the Region's counties improve their long term care systems through planning, case management, coordination, and evaluation. The Commission will be working with selected counties in the next year to develop plans, policies, and strategy recommendations for system enhancement.

Social Services

1982-83 Highlights:

- ARDC's Aging Program awarded 30 grants totaling more than \$1.1 million to provide necessary services to the Region's senior citizens.
- More than 400 persons attended the Fifth Annual Arrowhead Conference on Aging.
- ARDC's Developmental Disabilities Program expanded its Respite Care project into the Iron Range and Carlton and Itasca Counties.
- An Aitkin County Developmentally Disabled Task Force was developed with assistance from ARDC.



Two social service programs at ARDC were active in 1982-83. The Aging Program focused on the ongoing and emerging needs of the Region's 63,000 older persons, and the Developmental Disabilities Program addressed the special needs of the Region's developmentally disabled. Both programs received substantial direction and input from their respective ARDC Advisory Committees, ensuring that concerned citizens had an active voice in programs which directly affected them.

Aging

The ARDC Arrowhead Planning Program on Aging celebrated 10 years of service to the Region's elderly in the past year. During its 10 years of operation, the Commission has increasingly focused its efforts and resources on maintaining the dignity and independence of older persons in the seven-county area.

As the federally-designated Area Agency on Aging, ARDC carries out responsibilities and administers funding under the Older Americans Act of 1965. The Commission examines the needs of local older persons, advocates on their behalf, provides information and technical assistance to local units of government and service agencies, and allocates funds for supportive service programs.

ARDC granted \$1,177,660 in 1982 to initiate or expand services to the elderly. Special emphasis was placed on funding supportive services which allow older persons to remain in their own homes. Such services include home health care, congregate meals, adult day care, hospice, and home-delivered meals. Also targeted were services which help the elderly gain access to their communities, such as transportation, outreach services, and multi-purpose senior centers.

Developmental Disabilities

The ARDC Developmental Disabilities (DD) Program focused efforts in the past year on responding to challenges facing decision-makers regarding the care, treatment, and rights of developmentally disabled persons in the Region. New services to families have been created and greater community acceptance of developmentally disabled persons has been promoted.

During the past year, ARDC's Respite Care Program was expanded to families on the Iron Range and in Itasca County and Carlton County. This service provides families with temporary relief from the stress of caring for a family member who is developmentally disabled. The Respite Care Program matches families with respite care providers enabling the family to keep the disabled member at home.

Service providers in the Region participated in a DD workshop in the spring of 1983 which concentrated on methods for integrating developmentally disabled persons into their communities. The workshop, as well as a range of other technical assistance projects, helped to acquaint local providers with the special needs of the developmentally disabled.

In the coming year, ARDC will address problem areas as the transitional problems of recently deinstitutionalized persons, the need to develop semi-independent living services, and finding employment opportunities for developmentally disabled persons.

GRANTEE	PROJECT NAME	AMOUNT
Lake County Social Service Dept.	Lake County Coordinator on Aging	\$ 8,500
Koochiching/Itasca Action Council	Itasca County Foot Care Project	3,057
Aitkin County Public Health Nursing Service	Aitkin County Senior Health Education Project	5,378
St. Louis County Social Service Department	St. Louis County Outreach Expansion Project	10,890
Northern Community Radio KAXE	Senior Radio Access Project	3,912
Arrowhead Economic Agency	St. Louis County Coordinator on Aging	11,254
Duluth Area Vocational Technical Institute	Shared Housing Program	2,029
St. Louis County Social Service Department	St. Louis County Range Outreach	22,638
Legal Aid Service of NE MN	Senior Citizens Law Project	55,135
St. Luke's Hospital	Hospice Duluth Project	16,806
Benedictine Sisters Benevolent Society	Benedictine Adult Day Care Project	23,528
City of Cloquet	Cloquet Dial-a-Ride Project	9,106
Northern Itasca District Hospital	Northern Itasca Adult Day Care Project	29,838
Itasca County Health Department	Itasca Hospice Project	28,334
Aitkin County Public Health Nursing Service	Aitkin County Health Homemaker Program	9,010
Lake County Social Service Department	Lake County Senior Counselor Project	2,025
St. Louis County Social Service Department	Range Transportation Program	25,500
Center on Alcohol & Problems	Duluth Senior Citizens Chemical Dependency Counseling Program	6,360
Carlton County Human Services Board	Carlton County Expanded Home Care Program	20,000
Aitkin County Family Services	Senior Citizen Coordinator	12,000
Ely Area Senior Citizens, Inc.	Ely Area Senior Citizens Center Renovation	\$ 19,125
Town of Marcell	Marcell Senior Center	15,000
City of Two Harbors	Two Harbors Community/ Senior Center Construction & Equipment Project	24,198
Hibbing Tourist Center Senior Citizens	Hibbing Tourist Center/ Senior Center Equipment Project	10,000
Kinghurst Community Club	Kinghurst-Senior Center Renovation	5,000
Arrowhead Economic Opportunity Agency	Arrowhead Elderly Nutrition Program	\$434,677
City of Duluth	Duluth Senior Nutrition Program	284,566
Arrowhead Economic Opportunity Agency	Arrowhead Home Delivered Meals	48,751
Koochiching/Itasca Action Council	Koochiching/Itasca Home Delivered Meals	17,043
St. Louis County Social Service Department	St. Louis County Home Delivered Meals Program	14,000

Transportation

1982-83 Highlights:

- The Duluth Transit Authority continued to receive ARDC assistance in transit planning, marketing, and special transportation project development.
- More than \$8 million of Interstate Substitution funds were allocated with ARDC assistance to Duluth-Superior metropolitan area projects.
- ARDC provided initiative for development of Forest Highway 11, a proposed link between the Iron Range and the North Shore of Lake Superior.

Trolleys, trucks, buses and bridges were all given special attention during the past year at ARDC, particularly on the Metropolitan Interstate Committee (MIC). The need to efficiently transport goods and people around the Duluth-Superior metropolitan area as well as around the Arrowhead Region has long been addressed at ARDC, and 1982-83 saw some traditional efforts continued and some new efforts launched.



Port Town Trolleys

Representative of the new efforts is the Port Town Trolley, a special rubber-wheeled passenger bus introduced to the streets of Duluth in July 1983. ARDC assistance to the Duluth Transit Authority (DTA) led to a proposal for the operation of the trolley buses to link various downtown and waterfront locations, and now the Depot, the Arena-Auditorium, Canal Park and the downtown retail district are connected via 15-minute trolley service.

What makes the Port Town Trolley project especially significant in these times is the public and private cooperation behind it. The DTA was able to purchase the trolleys with Interstate Substitution funds and a local match from the City of Duluth, but financing for the operation of the service was short. MIC and DTA staff were able to convince six local businesses to invest in the Trolley by covering operating costs. With help from First Bank-Duluth, the Holiday Inn-Duluth, Duluth-Superior Excursions, Grandma's Saloon and Deli, the Radisson Hotel and the Harbor Inn, the Port Town Trolleys are proof that private and public interests can be combined for community improvement.

DTA Marketing Concept Plan

The 1983 DTA Marketing Plan examines current ridership patterns, identifies target markets for potential new riders, develops general marketing concepts for the next three years, and outlines 13 elements of the 1983 plan. It was developed by the DTA with ARDC assistance, which is now continuing in the implementation of many of the 1983 elements. Major points include development of an overall DTA marketing theme, a marketing plan for the STRIDE system for handicapped riders, improved customer service, elementary and secondary educational programs, and a marketing program for the Port Town Trolley.

Superior Street Transit Study

ARDC was contracted by the DTA this past year to conduct an analysis of the impacts of Duluth Streetscape project and other transportation changes will have on transit and transportation on Superior Street. MIC utilized the consulting firms of Strgar-Roscoe, Inc., Setter, Leach and Lindstrom, and the Duluth Downtown Development Corporation to complete the five-month analysis.

Recommendations of the study were determined through an advisory process involving a committee of downtown business and civic representatives, and aim at enhancing passenger convenience, travel time, and vehicle movement. In establishing a set of Superior Street design guidelines and a transit system plan, six different alternatives were considered by the committee.

Final guidelines include recommendations for left turn lanes at Lake Avenue and 5th Avenue West, a Split Super Transit Stop in the Holiday Inn block and consolidation of other Superior Street stops. Other recommendations include joint use of bus stops by service vehicles during off-peak hours, improved passenger waiting areas, shelters, information systems, short-term parking, drop-off and pick-up parking, and pedestrian amenities.

Interstate Substitution Concept Plan

An ongoing effort at ARDC involves the setting of priorities for project funding under the federal Interstate Substitution process. Since the City of Duluth dedesignated the portion of I-35 which was to go from 26th to 68th Avenue East, alternative highway and transportation projects have been funded by the federal government according to local determination of needs. The freeway dedesignation left the urbanized area with a potential of \$72 million for other transportation projects.

Local priorities were set this past year in a cooperative process involving the cities of Duluth, Superior, and Proctor, St. Louis County, the DTA, and the Minnesota Department of Transportation (MN/DOT). With ARDC assistance, a plan was developed to address the long-range transportation needs of the urbanized area. Projects funded by the 1982-83 Interstate Substitution allocation which are currently under construction include:

Commerce Street, from Lake Avenue to	
Harbor Drive	\$ 480,000
Garfield Avenue Bridge	\$3,200,000
Central Entrance, from Pecan to Anderson	\$2,460,000
DTA Projects	\$1,900,000

Duluth Skywalk System

By June 1983, work was nearly completed on the Skywalk connecting the Government Service Center with the Board of Trade and the Missabe Buildings in downtown Duluth. \$212,500 for this project was obtained from the Federal Transportation Systems Management Program in 1981 with ARDC expertise.

Regional Transportation Pilot Study

The 1979 Arrowhead Regional Transportation Pilot Study was updated by the Commission during the past year. The document contains information on the current status of all transportation modes in the Region and a discussion of issues, needs, and priorities. These priorities, which identify regional needs for MN/DOT, will serve as the basis of the regional transportation planning program over the next two years.

Forest Highway 11

A proposed east-west highway link between Silver Bay in Lake County and Aurora-Hoyt Lakes in St. Louis County received some in-depth attention from the Commission this past year. ARDC organized a steering committee with membership from both counties to set goals and objectives for securing funding to construct the highway. The U.S. Forest Service has made construction of Forest Highway 11 a top priority, and numerous local and regional groups have expressed their support of the plan.

Support for the highway project results from widespread recognition of the need to link the North Shore with the Iron Range for commerce and tourism, and the Forest Service's desire to improve access for forest management.

ARDC analyzed the cost-effectiveness of the proposed highway for the steering committee, and is currently pursuing funding for an environmental impact statement.

North Shore Commodity Movement Study

A nine-month analysis completed in July 1983 focuses on the problems resulting from conflicts between trucks, tourists, and local traffic on Highway 61 along Lake Superior's North Shore. ARDC interviewed shipping and trucking firms, local officials, and staff of various governmental agencies to determine the extent of the problems and possible ways to increase the efficiency of commercial commodity movements as well as improve driving conditions for private motorists.

The study recommends a number of steps to better manage commodity movements including support of MN/DOT's effort to speed up improvements of Highway 61, limited operation or alternative routing of trucks during peak tourist times, use of electronic warning signs for motorists in hazardous areas, and development of temporary passing lanes.

Further analysis is recommended for a travel behavior and attitude survey, expanded utilization of the rail car ferry Incan Superior, possible use of a central broker to consolidate truck movements, and a detailed cost assessment of non-highway transportation alternatives.

Resource Management

1982-83 Highlights:

- A new international export market for Minnesota's processed woodfuels was identified in a study financed with ARDC assistance.
- A wildlife management plan was adopted and implemented for the Duluth-Superior harbor's Hearing Island.
- ARDC's regional Forestry Program was revitalized and redirected at expanding the Region's timber industry.
- A regional Horticultural Peat Marketing analysis was initiated at ARDC to develop strategies for the public and private expansion of that industry.

The Arrowhead Region has always been rich in natural resources, from forests to peat bogs to water. The past year's activities at ARDC made clear the Commission's commitment to developing the Region's resources with a sensitivity to the fragile nature of the environment.



Wildlife Management Plans

In 1977 ARDC proposed that the Duluth-Superior harbor's Hearing Island be managed as a nesting site for colonial waterbirds—in particular the piping plover and the common tern. Both are critical status species which currently nest at the Duluth Port Terminal, which has been determined to be unsuitable as a long-term nesting area for the birds.

This past year the Minnesota Department of Natural Resources (MDNR) contracted with ARDC to develop a formal management plan for the island and then to assist in its implementation. The plan was completed in December 1982, and by late spring 1983, biologists began implementing techniques to lure the birds to the island.

Another potential nesting area for the birds is nearby Interstate Island, for which a separate draft wildlife management plan was written this past year. Negotiations continue with the owners of the property, and ARDC is continuing to coordinate the efforts of the Nature Conservancy, the MDNR, and Wisconsin's DNR. The Interstate nesting area is expected to be prepared before the next nesting season.

Woodfuels Export Potential

There is no question that Lake Superior is one of the greatest natural resources in the Region, for drinking water and fishing as well as for transporting goods. A major effort in the past year at ARDC involved an analysis of the international export potential for Minnesota's processed woodfuels. The analysis, funded with the help of ARDC, concluded that the Arrowhead Region, with 57 percent of Minnesota's commercial forest lands, is faced with a "golden opportunity" to enter into a new area of international marketing.

The potential markets are identified as West African nations which are facing severe fuel shortages, and which have traditionally used wood fuels for most home cooking. The product for these markets, already in production at several locations in the Arrowhead Region, are densified wood pellets and briquettes. ARDC is currently assisting the Seaway Port Authority of Duluth in following up on the analysis. The first steps include sending a test shipment of the products to researchers in Dakar, Senegal, and coordination of efforts here to make the products compatible with African consumers' needs.

The analysis concluded that a realistic immediate potential exists for sales of \$1.3 million per year to three West African capital cities alone. ARDC will continue to work on this opportunity in the coming year through its Forestry Program.

Harbor Development

ARDC's role in assisting the development of the Duluth-Superior harbor focused on several key issues during 1982-83. One effort was the development of a packet of educational activities about the harbor for the elementary schools in Superior. The activities included map exercises, ship identification, cargo origin and destination maps, and environmental learning exercises. The program was so well received by the teachers and school district that ARDC is seeking to expand it in the coming year.

The Commission's ongoing effort to keep the chore of dredging the harbor as efficient and environmentally sound as possible included a new twist in the past year. ARDC obtained funding from the Wisconsin Coastal Management Program to begin investigating the possibility of using man-made holes in the harbor for disposal of dredged material. The analysis will continue into the coming year, and could lead to methods of disposal which would be less expensive without sacrificing the environmental quality of the harbor.

The tourism potential of the harbor also received attention from ARDC this past year, as several long-term projects came to fruition. The MDNR approved an ARDC proposal to redevelop three key boat landings in the St. Louis River estuary, and ARDC began a project to develop a new park on Whiteside Island, the largest in the harbor.

As part of an ongoing process to update and expand the 1978 Land Use Plan for the harbor, ARDC developed a natural resources management program in 1982-83. The

program, which establishes guidelines for the management of the harbor's natural resources, has been reviewed intensively by the MDNR and WNDR, and is likely to become part of the formal Land Use Plan. Adoption of the program will be a major step forward in the protection of the harbor's most vital resource areas, and will also be invaluable in planning future harbor developments.

Forestry

The Commission re-established an active Forestry Program this past year, and with the help of the many groups represented on ARDC's Forestry Advisory Committee, a comprehensive assessment of the Region's vast forest resource is underway. The assessment looks into the problems facing the forest products industry and examines potential ways to meet the needs of current as well as new industries.

During the coming year it is anticipated that ARDC will be able to assist county land management departments in resource planning, state marketing staff in development of new forest products industries, and the U.S. Forest Service in marketing and utilizing the forest resource. ARDC will also provide information about the regional forest products industry to companies which may want to expand or build new facilities in the Region.

Peat Marketing Analysis

The Arrowhead Region has 43 percent of Minnesota's peat lands and 16 percent of the peat lands in the continental United States, but produces less than 2 percent of the peat consumed in the nation. During the past year, ARDC initiated a Horticultural Peat Marketing analysis to develop strategies for public and private expansion of this potentially large industry. The analysis will continue into 1983-84.

Copper/Nickel Task Force

ARDC's Copper/Nickel Task Force, composed largely of local elected officials from Lake and St. Louis Counties, continued its pursuit of long-term mineral leasing legislation during the past year. Specifically, the Task Force made an extensive review of a draft bill it had encouraged Congressman James Oberstar to write, and made recommendations for several modifications which were subsequently included in a second draft. That draft is currently under review by the Task Force.

The Task Force also reviewed and gave final approval of a report identifying the major characteristics of Minnesota's existing copper/nickel legislation, and made a number of recommendations for State consideration in revising the copper/nickel tax policy. Other letters and resolutions by the Task Force were focused on getting approval at the state level of various mineral leases; partially as a result of the Task Force's effort's 32 mineral leases were approved by the state Executive Council in March 1983.

Publications

ADMINISTRATION

1981/82 Annual Report (August 1982)
Arrowhead Regional Report (bi-monthly newsletter)
Annual Work Program, F.Y. 1984 (June 1983)
Regional Update (unscheduled, periodic informational highlights)
ARDC Innersight (bi-weekly newsletter for ARDC Commission, Board, Advisory Committees, staff)

COMMUNITY DEVELOPMENT

Hibbing Comprehensive Land Use Plan—Part 1: Background Studies for Planning (August 1982)
Hibbing Comprehensive Land Use Plan—Part 2: Land Use Recommendations (December 1982)
Arrowhead Regional Community Development Plan and Investment Strategy (December 1982)
International Falls District Heating System—Preliminary Feasibility Study (February 1983)
Itasca County Solid Waste Management Plan (April 1983)
Koochiching County Solid Waste Management Plan (April 1983)
Subdivision Platting Regulations for the City of Wrenshall (February 1983)
Zoning Ordinance for the City of Wrenshall (February 1983)
South International Falls Infrastructure Improvement Needs (September 1982)
Material for Municipal Board Consideration Regarding International Falls Consolidation (October 1982)
International Falls/South International Falls Consolidation Agreement Workbook (August 1982)

INFORMATION SERVICES

Proposed Computer Information Systems Action Plan for the East Central Regional Development Commission (April 1983)

ECONOMIC DEVELOPMENT

Annual Report and Update of the Overall Economic Development Program for the Arrowhead Region (June 1983)

HEALTH

EMT—Defibrillation Instructor Course Text (January 1983)
EMT—Defibrillation Student Course Text (January 1983)

SOCIAL SERVICES

Amendments to the Area Plan on Aging (November 1982)
Aging Action in the Arrowhead Region (Newsletter)

TRANSPORTATION

North Shore Commodity Movement Study, Working Paper I: Existing Commodity Movement (January 1983)
North Shore Commodity Movement Study, Working Paper II: Identification and Presentation of Potential Alternatives (March 1983)
Transit Working Paper 82-2: Passenger Load Count Analysis—1982 Brown Sheet Transit Passenger Survey Results (July 1982)
Transit Working Paper 82-3: On Board Ridership Survey (August 1982)
Transit Working Paper 82-4: 1982 Route Performance Criteria (September 1982)
STRIDE One Year Review (September 1982)
DTA Marketing Concept Plan (January 1983)
1980-1985 Transit Development Program, 1982 Update (January 1983)
Final Report—Duluth Downtown Superior Street Transit Study (June 1983)
Duluth Downtown Superior Street Transit Study—Technical Data (June 1983)
Duluth Downtown Superior Street Transit Study—Advisory Committee Minutes (June 1983)
1983-1984 Transportation Improvement Program for the Duluth-Superior Urbanized Area (October 1982)
Proposal for the Duluth World Airpark (July 1982)
Interstate Substitution Concept Plan for the Duluth-Superior Urbanized Area (June 1983)
Arrowhead Regional Transportation Plan—1983 Update (June 1983)

RESOURCE MANAGEMENT

Analysis and Recommendations Related to an Intergovernmental Review of a Proposed Copper/Nickel Operation (March 1983)
Copper/Nickel Taxation Analysis and Recommended Policy Framework (March 1983)
1982 Annual Report to the Governor and State Legislature for the Governor's Citizens' Advisory Task Force on the Boundary Waters Canoe Area (December 1982)
Superior Harbor Educational Activities (August 1982)
Minnesota Processed Woodfuels: Regional Consideration for Export Opportunities (June 1983)
Hearing Island Wildlife Management Plan (November 1982)
St. Louis River Estuary Natural Resources Management Program (Draft) (January 1983)

Finances

	Calendar Year 1982	Calendar Year 1983 Approved Operating Budget
REVENUE		
Tax Levy	233,234	222,472
State Appropriation/LCMR	143,943	185,650
Grants and Contracts		
MN Board on Aging	127,023	138,801
MN Dept. of Health (EMS)	407,216	166,494
Wis. Coastal Management Program	17,252	23,261
Developmental Disabilities Council	27,813	35,163
Dept. of Housing & Urban Development	27,853	10,000
Economic Development Administration	71,500	81,500
Small Business Assistance	15,554	33,750
MN Dept. of Administration/BWCA		
Task Force	15,179	16,311
Federal Highway Administration	62,392	55,074
Urban Mass Transportation Administration	41,029	48,000
Farmers Home Administration	21,610	—
MN Pollution Control Agency	22,614	—
Duluth Transit Authority	28,037	187,500
Blandin Foundation	89,182	47,919
Local Technician Assistance	123,640	183,163
Other Grants and Contracts	31,152	68,932
	1,129,046	1,095,868
Northwest Regional Planning Commission	5,487	11,452
Interest Income	22,646	12,000
Other Income	31,731	35,500
Total Revenue	1,566,087	1,562,942
EXPENDITURES		
Salaries and Fringe Benefits	707,095	828,172
Office Space	97,914	83,713
Consultants	112,203	228,450
Contracted Services	76,529	17,000
Staff Travel	28,599	49,350
Committee and Board Travel	42,400	44,900
Supplies	20,219	23,779
Depreciation	28,304	33,000
Interest	11,735	10,632
Equipment	275,064	4,650
Communications	52,275	37,500
Program Development	6,040	35,500
Other Expense	39,414	67,912
Total Expenditures	1,497,791	1,464,558
Revenue Over (Under) Expenditures	68,296	98,384

A-95 Clearinghouse Review

CLEARINGHOUSE REVIEW

The Arrowhead Regional Development Commission serves as a clearinghouse for application for federal and state financial assistance on proposed projects and programs in Northeastern Minnesota.

The review process, known as the Project Notification and Review System, is an effort to reduce waste and duplication of public expenditures through cooperation and communication between applicants and funding agencies.

The number of reviews performed is not an indication of applications which are eventually funded. Due to incomplete information on some proposals, the totals are approximate.

	NUMBER OF APPLICATIONS	FUNDING REQUESTED
FEDERAL AGENCIES		
ACTION	12	\$ 938,876
Department of Agriculture	3	600,300
Department of Commerce	13	8,598,232
Department of Health and Human Services	27	3,276,246
Department of Labor	2	5,498,155
Department of Transportation	11	10,873,579
Environmental Protection Agency	3	3,428,546
Farmers Home Administration	12	15,720,840
Federal Aeronautics Administration	1	27,000
Federal Highway Administration	2	596,000
Housing and Urban Development	16	10,329,725
Urban Mass Transit Administration	1	71,700
FEDERAL TOTALS	103	\$59,959,199
STATE AGENCIES		
Department of Agriculture	1	\$ 3,750
Department of Energy, Planning and Development	58	9,157,347
Department of Health	2	46,000
Department of Transportation	8	1,361,664
Housing Finance Agency	3	230,000
Pollution Control Agency	3	2,317,674
STATE TOTALS	75	\$13,116,435
LOCAL FUNDING SHARE		7,162,401
OTHER FUNDING SOURCES		6,822,429
TOTAL FUNDING		\$87,060,464