

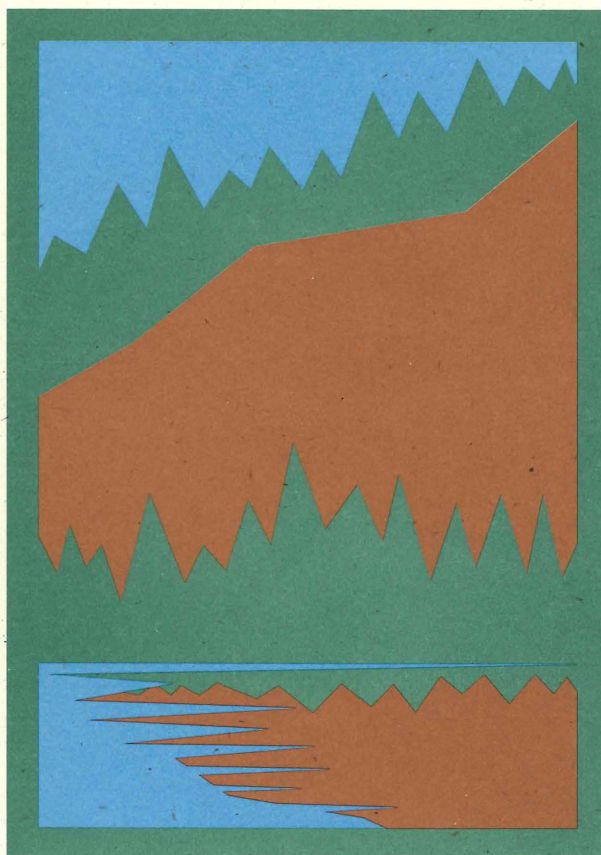
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Iron Range Resources & Rehabilitation Board

1993-94

Biennial Report



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To the Governor and Legislature of the State of Minnesota:

I am pleased to submit to the Honorable Arne Carlson, Governor of the State of Minnesota, and the Seventy-Ninth Legislature of the State, this twenty-sixth Biennial Report of the Iron Range Resources and Rehabilitation Board (IRRRB). This report serves as a recap of the IRRRB's activities during fiscal years 1993 and 1994 (July 1, 1992 - June 30, 1994).

The past biennium was significant in that we not only introduced new programs, but also looked at new and better ways to deliver old programs. We also took great effort to bring the citizens we serve into our planning and decision-making processes. This is evident by the fact that we created or continued to work with six citizen's advisory groups and task forces.

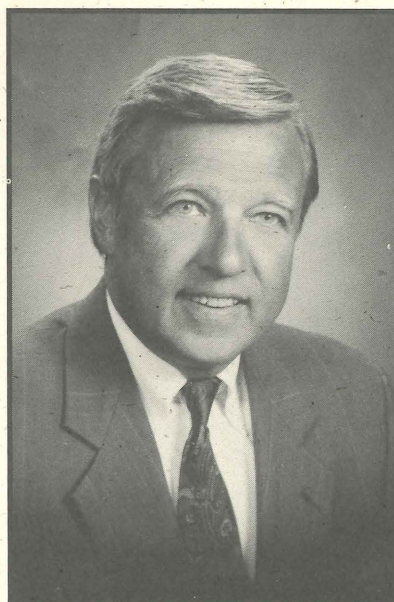
We've worked hard toward our mission:

*First, to be careful custodians of the public money entrusted to us.
Second, to enhance the economic vitality of the Taconite Tax Relief Area
through value-driven, cost effective projects and programs designed
for the long-range benefit of the region.*

This report was prepared in compliance with Minnesota Statutes 1992, Section 298.22, Subdivision 2. It is available to members of the State Legislature, public entities and citizens.

Yours very truly,

Jim Gustafson
Commissioner



Commissioner Jim Gustafson



IRRR Board members: Front (l-r): Senator Sam Solon, District 7; Commissioner Jim Gustafson; Chair - Senator Doug Johnson, District 6; Vice-Chair - Representative David Battaglia, District 6A; **Back (l-r):** Senator Jerry Janezich, District 5; Senator Florian Chmielewski, District 8; Representative Tom Rukavina, District 5A; Assistant Commissioner Bob Benner; Representative Loren Solberg, District 3B; Senator Bob Lessard, District 3; Representative Irv Anderson, District 3A; Representative David Tomassoni, District 5B; **Not Pictured:** Commissioner Rod Sando, Department of Natural Resources.

IRRR Board Members during FY93-94

Senator Douglas Johnson, Chairman	Cook
Representative David Battaglia, Vice-Chair	Two Harbors
Senator Florian Chmielewski	Sturgeon Lake
Senator Jerry Janezich	Chisholm
Senator Robert Lessard	International Falls
Senator Sam Solon	Duluth
Representative Irv Anderson	International Falls
Representative Tom Rukavina	Virginia
Representative Loren Solberg	Bovey
Representative Dave Tomassoni	Chisholm
Commissioner Rod Sando, Department of Natural Resources	

Past Commissioners

Herbert J. Miller	July 1, 1941 - June 30, 1942
Robert E. Wilson	July 1, 1942 - May 1, 1949
Ben P. Constantine	May 1, 1949 - November 20, 1950
Edward G. Bayuk	November 20, 1950 - April 30, 1955
Kaarlo Otava	May 1, 1955 - January 4, 1961
Hyrom S. Sorenson	January 5, 1961 - February 2, 1961
A.M. DeYoannes	February 3, 1961 - May 1, 1971
Robert J. Scuffy	May 2, 1971 - January 10, 1975
Frank Ongaro	January 11, 1975 - December 31, 1978
Patrick J. McGauley	January 1, 1979 - December 31, 1982
Gary Lamppa	January 1, 1983 - February 27, 1987
Jack DeLuca	February 28, 1987 - January 8, 1991
Greg Love (Acting)	January 8, 1991 - February 1, 1991
Wayne Dalke	February 1, 1991 - May 29, 1992

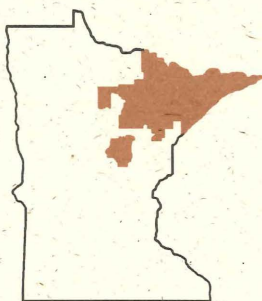
Table of Contents



FY93 - FY94 Biennial Report to the Legislature

Commissioner's Letter	1
IRRR Board/Past Commissioners	2
Table of Contents	3
Introduction	4
Diversification	5-12
Building Demolition	5
Economic Development	6
Grants	9
Mining	13-18
Mineland Reclamation	13
Mining Initiatives	16
Tourism	19-27
Giants Ridge Recreation Area	19
Iron Range Research Center	20
IRONWORLD USA	23
Tourism Planning and Development	25
Trails	27
Administration	28-32
Financial Information	28
Information Systems	32
Taconite Tax Relief Area Map (School Districts)	33

Taconite Tax Relief Area





Introduction

Created by the Minnesota Legislature in 1941, the Iron Range Resources and Rehabilitation Board (IRRRB) is unique because it is the only state agency in Minnesota to focus on a specific region, and because it receives no operational funding from the State General Fund. Its purpose is to help strengthen and diversify the economy of northeastern Minnesota, specifically the Taconite Tax Relief Area as defined in Minnesota Statute 273.134.

Headquartered in Eveleth, Minn., the agency owns and operates the IRONWORLD USA complex in Chisholm, Minn., and Giants Ridge Recreation Area in Biwabik, Minn.

Jim Gustafson was appointed IRRRB Commissioner by Governor Arne Carlson on June 3, 1992, just prior to the start of the FY93-94 biennium. Commissioner Gustafson appointed Deputy Commissioner Gary Ellefson on Aug. 19, 1992, and Assistant Commissioner Bob Benner on Sept. 8, 1993. Ellefson resigned in January 1994 to pursue interests in the private sector.

Shortly after joining the agency, Commissioner Gustafson announced several major goals for his administration, including:

- To compile information on the status of the taconite industry and to attempt to get an updated perspective of its life expectancy;
- To complete an in-depth study of IRONWORLD USA, resulting in a better understanding of the facility's missions, along with the need for and use of IRRRB subsidies; and
- To improve IRRRB operations, ensuring they are as cost effective and efficient as possible.

New mining initiatives were undertaken including the Governor's Task Force on Mining and Minerals, the Taconite Assistance Program and the Taconite Economic Development Fund. The agency also played a key role in negotiations which led to the reopening of the National Steel Pellet plant in Keewatin in August 1994.

In October 1993, the commissioner appointed 15 citizens from across the Iron Range to the IRONWORLD Citizens Advisory Task Force. In May 1994, after much discussion about IRONWORLD's future, the task force recom-

mended hiring Mid-America Festivals (MAF) of Shakopee, Minn., to manage the facility for the 1994 season. The task force will continue to meet and will evaluate MAF's performance at the end of the season.

Commissioner Gustafson addressed agency operations in a variety of ways. Most important were his efforts to bring citizens into the agency's planning and decision-making processes, to coordinate the agency's varied advertising activities, and to improve the effectiveness of the agency's accounting and reporting systems.

In addition to the IRONWORLD task force, three other citizen groups (the Iron Range Economic Alliance, the Iron Range Research Center Task Force and the Giants Ridge Golf Course Task Force) were created, and two existing groups (the Northern Lights Tourism Alliance (NLTA) and the IRRRB Trails Task Force) were strengthened.

Russell & Herder Advertising and Public Relations, Inc., of Brainerd, Minn., was hired in September 1993 to maximize the IRRRB's marketing and advertising efforts. They worked primarily with Giants Ridge and the NLTA.

Arthur Anderson, Inc., of Minneapolis, Minn., was hired to evaluate the agency's accounting systems. As a result of their efforts, a new budgeting and accounting system was implemented, allowing for greater accountability and increased analytical capacity.

The IRRRB's energies generally focused on three major areas during this biennium: Diversification, Mining and Tourism. For the purpose of this report, the agency's efforts are categorized into these areas along with a section on Administration.

Diversification includes the divisions and programs that deal specifically with community and economic development: Building Demolition, Economic Development and Grants.

Mining includes the Mineland Reclamation Division, along with new initiatives sponsored by the agency and the legislature, including the Governor's Task Force on Mining and Minerals, the Taconite Assistance Program and the Taconite Economic Development Fund.

Tourism includes the agency's tourist facilities - Giants Ridge, the Iron Range Research Center and IRONWORLD USA - along with Tourism Planning & Development and Trails.

- **Building Demolition**
- **Economic Development**
- **Grants**

Building Demolition

The Building Demolition Program was created in 1972 to assist local units of government and private individuals by removing dilapidated, abandoned, unwanted and hazardous structures. Buildings that pose a safety hazard and those razed to make room for new construction are a priority. The end result is the removal of eyesores and health hazards, providing a cleaner environment and making room for new construction which promotes economic development and adds to the local tax base.

The Building Demolition crew razed 307 buildings in FY93 and 239 in FY94, totaling 546 buildings in 40 communities and townships during the past biennium. Table 1 lists the communities served and the number of buildings taken down during this biennium. Since the program's start, 5,325 structures have been razed.

A new law requiring that disposal sites meet certain design specifications prior to being permitted greatly impacted the building demolition program. There are now fewer sites accepting demolition materials because developing and maintaining the sites is more expensive and more time consuming. Because there are fewer sites accepting materials, the crew has to haul materials farther.

Table 1			
Communities Served in FY93-94 (Number of Structures Removed)			
Aurora	22	Iron	4
Beaver Bay	3	Keewatin	5
Biwabik	19	Kelly Lake	3
Buck Lake	3	Kinney	13
Buhl	21	Kitzville	4
Calumet	7	Leetonia Location	4
Cherry	4	Makinen	3
Chisholm	2	Marble	6
Cook	*10	Mountain Iron	6
Costin Addition	5	Nashwauk	35
Cotton	1	Palo	9
Ely	17	Pengilly	3
Embarrass Twp.	9	Silver Bay*	9
Eveleth	30	Soudan	4
Fall Lake Twp.	1	Taconite	2
Fayal Twp.	9	Two Harbors*	74
French Twp.	3	Virginia	53
Gheen	1	West Eveleth	5
Gilbert	15	White Twp.	6
Grand Marais*	20	Winton	3
Hibbing	93	Total	546

**Includes rural areas of the North Shore*

In order to accommodate these changes, two roll-off, canister type trucks, which can haul 30 cubic-yards per load, are being purchased to replace the currently used trucks, which only haul 12 cubic-yards per load. This will save considerable time and money now that the crew must drive farther to the tipping sites.

The IRRRB provides demolition services at no charge to the public; however, the owner of the structure being demolished must now pay any tipping fees that are incurred.



An old building is razed in Chisholm to make room for new construction.

Many instrumental projects were undertaken by the Economic Development Division during the past biennium, most notably the development of the Iron Range Economic Alliance, the creation of the Taconite Assistance Program and the approval of two major economic development projects, Northwest Airlines and ASV.

Iron Range Economic Alliance

The Iron Range Economic Alliance has the potential to become one of the most innovative economic development tools in northeastern Minnesota. The alliance, consisting of 30 cities and townships across the TTRA, was created in January 1994 to consolidate economic development efforts. The alliance's goals are to work on cohesive economic development strategies and to provide a forum for discussing issues and sharing prospective business leads. Although member communities continue to pursue their own economic development efforts, the alliance fosters cooperation among them.

Participating cities and townships were required to appoint an alliance representative by resolution. Member cities also provided information necessary to complete a comprehensive economic development data base and must update the information regularly. The IRRRB facilitates alliance meetings and provides administrative support.

As part of an effort to develop closer and more productive working relationships with the communities, the economic development staff is now assigned to designated areas within the TTRA to serve as liaisons between the agency and the communities.

Taconite Assistance Program

The IRRRB approved the Taconite Assistance Program (TAP) in September 1992. The TAP is designed to enhance the long-term viability of northeastern Minnesota's taconite industry by providing low interest loans and grants of up to two million dollars to each of the seven operating taconite producers in the region. The companies must use the money for plant expansions, process improvements or new technologies which help them lower production costs and stay competitive in the iron ore marketplace.

The TAP's goal is to protect the more than 6,000 quality jobs provided by the taconite industry. During the biennium, \$13 million provided by the IRRRB leveraged over \$60 million in capital investments by the companies. *(See pages 17-18 for more information on the TAP.)*

Financing Projects

In the latter part of FY94, the IRRRB participated in the financing of two major projects: Northwest Airlines and ASV. The agency was also involved in negotiations with National Steel Pellet Company and Luigino's, however, they were approved in early FY95.



Pictured (l to r): Senator Doug Johnson, IRRRB Commissioner Jim Gustafson, Governor Arne Carlson, Senator Jerry Janezich and Representative David Tomassoni take time for a picture during the press conference announcing of the Northwest Airlines reservations center project in Chisholm.

Table 2

Projects Approved for FY93-94
Northeast Minnesota Economic Protection Fund

ASV project	Grand Rapids	\$1,200,000
B&S Research	Embarrass	\$75,000
Bluefin Bay	Tofte	\$249,999
Bradley's Resort	Aitkin	\$22,500
Cetane Technologies	Aitkin	\$250,000
Cromac	Crosby	\$500,000
Danan Engineering	Crosby	\$60,000
Ely Super-8	Ely	\$138,500
Floe International	Hoyt Lakes	\$75,000
Lutsen Resort	Lutsen	\$50,000
Lutsen - West Flank	Lutsen	\$150,000
Minnesota Diversified Industries ..	Hibbing	\$250,000
Minnesota Twist Drill	Chisholm	\$250,000
Mirada Research	Ironton	\$120,000
Northshore Holiday Inn	Tofte	\$225,000
Northwest Airlines project	Chisholm	\$9,668,000
Orr Motel	Orr	\$70,000
Partridge River	Hoyt Lakes	\$125,000
Pelican Lake, Land and Lumber ..	Orr	\$250,000
Spruce Glen, Inc	Grand Rapids	\$250,000
Sugar Lake Lodge	Grand Rapids	\$500,000
Timber Trails	Ely	\$20,000
Virginia Plastics	Virginia	\$82,500
Waconda Wood	Cook	\$50,000
Woodline Manufacturing	Eveleth	\$150,000
Total loans approved for FY93-94		\$14,781,499

With groundbreaking scheduled in FY95, Northwest Airlines will bring nearly 600 jobs to the TTRA when its ticket reservations center is completed in Chisholm. The facility is scheduled to open in 1996. ASV, a track-truck manufacturer located in Marcell, Minn., will be expanding its manufacturing facilities to Grand Rapids and will employ an additional 75 workers within three years of its February 1995 opening.

In addition to Northwest Airlines and ASV, the IRRRB facilitated the start-up or expansion of 22 businesses during this biennium. These projects resulted in \$10 million in new business investments, which created and/or retained more than 470 jobs. Table 2 above provides a list of the projects awarded during FY93-94.

To date, since the Economic Development Division's creation in 1983, the IRRRB has participated in more than 200 projects, representing a total private and public investment exceeding \$200 million. These projects are generally funded through the agency's Bank Participation Loan program with money derived from the Northeast

Minnesota Economic Protection Fund, otherwise known as the "2002 Fund." The agency works with regulated lending institutions to combine private and public funding into custom-designed financial packages for eligible businesses. The agency uses this program to buy up to a 50 percent participation in eligible loans. The IRRRB's portion of the loan is offered at three percent less than U.S. Treasury securities of comparable term on the date of project approval, providing significantly lower cost capital to the borrower.

The Bank Participation Loan Program has been very well received within the fi-

nancial community. The IRRRB's primary role in the program is to facilitate the structuring of financial packages among the various parties involved. The application process for a bank participation loan ensures that the business assembles the type of information which facilitates analysis and decision-making for both the IRRRB and the bank.

Storefront Renovation Program

FY93 was the final year of the Storefront Renovation Grant Program. This program provided cities the opportunity to assist retail/service businesses within their community. During its three-year existence, the program provided a total of \$1.2 million to communities to assist their main street businesses with storefront renovation. The program was unique in that grants were awarded to the communities, giving them the responsibility of administering the funds and also giving them the benefit of the returned payments.

Through the storefront program, the IRRRB matched every dollar raised by the community



Table 3

Storefront Renovation Program Grants Awarded in FY93

<u>City</u>	<u>FY93</u>
Biwabik	\$48,000
Chisholm	\$21,000
Ely	\$48,000
Gilbert	\$36,000
Grand Marais	\$24,000
Hibbing	\$27,000
Nashwauk	\$15,000
Silver Bay	\$27,000
Two Harbors	\$9,000
Virginia	\$45,000
Total	\$300,000

with three dollars in grant funding. The store owner then applied to the city for a loan, with an interest rate of no more than three percent. After the city makes this program available to store owners for a minimum of five years beyond the initial three years, they may use the money that is repaid for other economic development projects. Table 3 above lists the grants awarded through the Storefront Renovation Program during FY93.

Technical Assistance

The IRRRB also provides information and referral services to businesses ineligible for its financial program. Staff facilitates economic development projects through information networking and referral for entrepreneurs and existing businesses seeking to define their objectives. Staff also refers entrepreneurs to other providers which offer various types of technical or financial assistance, including gathering information about employment availability and continuing education, or searching for a suitable location.

IRRRB works closely with a number of organizations to pro-

mote and facilitate new business start-ups in the area. Some of the organizations include the Arrowhead Regional Development Commission (ARDC), the Minnesota Department of Trade and Economic Development (DTED), Minnesota Power, the Natural Resources Research Institute (NRRI), the Northeast Entrepreneur Fund, Northeast Ventures, Northspan, the SBA-sponsored Small Business Development Centers, United Power Association (UPA) and the Center for Economic Development at the University of Minnesota-Duluth.

Business Marketing

The marketing assistance program was initiated in 1987 to provide basic advice to new or existing businesses in areas such as product development and design, packaging, advertising, inventory control, warehousing and shipping. The IRRRB staff works with a consultant to carefully monitor each business, ensuring that the scope of the services provided remains within acceptable cost and time limits. During this biennium, the consultant, JPG Communications of Virginia, Minn., provided marketing assistance to 38 businesses. To date, this program has assisted more than 150 Iron Range businesses.

Future Direction

The IRRRB will continue to spearhead development in all sectors of economic opportunity including tourism, wood products, minerals and small business development.



ASV's first track-truck, which had been purchased by the IRRRB in 1984, was on display during the company's announcement that they were expanding to Grand Rapids.

The IRRRB Grants Division changed its focus somewhat during this biennium in that those projects selected for IRRRB funding were required to demonstrate more leverage, more local participation and more economic development impact on the region. Consolidation of services and facilities was also encouraged. During the FY93-94 biennium, IRRRB grant monies were leveraged on average of 5:1, which means that for every dollar of IRRRB money spent, five dollars were spent from other sources.

The Grants Division, which was established in 1977 with the creation of the Taconite Area Environmental Protection Fund (TEPF), has since awarded more than \$162 million for projects such as water and sewer systems, airports, mineland reclamation, recreation, tourism, business development and community development. Local units of government and nonprofit organizations have used these funds to leverage more

than \$400 million in other federal, state, local and private money.

Grants are also made available through the IRRRB Board Account (Minnesota Statute 298.22). Through this account, the commissioner has the statutory authority to fund projects which aid in the relief of distress and unemployment due to the reduction or limited use of natural resources. These funds are also limited to eligible projects located within, or for the benefit of, the Taconite Tax Relief Area.

Project profiles are accepted from eligible applicants each year from January 1 through April 15. Staff reviews the project profiles, and those selected for further consideration are asked to submit formal applications prior to July 1. In September, the commissioner presents a final list of projects to the IRRR Board for approval. Projects approved from the TEPF are sent to the governor for approval.

Grants Awarded during FY93-94

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>
AEOA	Construct a transit/storage facility	\$145,000
Aitkin, City of	Install dry hydrants	\$1,000
.....	Improve airport	\$200,000
.....	Extend municipal water to business area	\$160,000
.....	Construct new public library	\$185,000
Alden, Township of	Replace bridge	\$9,000
Alvwood, Township of	Construct new town hall	\$25,000
Arbo, Township of	Construct town hall addition	\$25,000
Arrowhead Center, Inc.	Acquire and remodel building	\$95,000
Arrowhead Community College	Purchase eight 70 mm projectors	\$125,000
Ault, Township of	Construct new town hall	\$45,000
Aurora, City of	Improve infrastructure to business	\$350,000
.....	Improve streets	\$190,000
.....	Improve water treatment system	\$250,000
.....	Construct new fire hall	\$100,000
Babbitt, City of	Improve drainage system	\$190,000
.....	Improve wastewater system	\$100,000
Balkan, Township of	Improve town hall	\$30,000
Balsam, Township of	Construct addition to town hall	\$25,000
Bassett, Township of	Replace town hall windows	\$5,000
Bay Lake, Township of	Construct new town hall	\$100,000
Beaver Bay, City of	Improve water and sewer system	\$200,000
Bigfork, City of	Improve airport	\$300,000



Bigfork, City of	Construct new fire hall	\$75,000
Biwabik, City of	Construct new city hall/multi-use facility	\$700,000
Biwabik, Township of	Improve town hall	\$20,000
Boise Forte Reservation	Remodel building	\$75,000
Bovey, City of	Construct new watermain	\$75,000
Breitung, Township of	Improve McKinley Park	\$25,000
.....	Construct new building at Mckinley Park	\$50,000
Buhl, City of	Install new library doors	\$5,000
.....	Renovate Lake Leander Scout Camp	\$36,000
.....	Improve city hall	\$100,000
Camp Chicagami Association	Market Camp Chicagami	\$50,000
Chisholm, City of	Improve sanitary sewer system	\$200,000
.....	Improve Pergol Field	\$30,000
.....	Improve industrial park	\$200,000
.....	Improve airport	\$150,000
.....	Improve water system	\$440,000
Chisholm 500 Plus Foundation	Capitalize endowment fund	\$50,000
Chisholm-Hibbing Airport Commission	Improve parallel taxiway/runway	\$150,000
.....	Improve airport	\$100,000
Clinton, Township of	Construct new town hall	\$220,000
Coleraine, City of	Construct new golf course	\$250,000
.....	Improve waste treatment system	\$40,000
Colvin, Township of	Improve town hall	\$25,000
Cook, City of	Acquire building for a business	\$50,000
.....	Improve library	\$105,000
.....	Improve recreation area	\$50,000
.....	Reconstruct streets	\$50,000
Cook County	Construct new fire hall	\$100,000
Cook County Council on Aging	Construct building addition	\$40,000
Cook County Hospital	Construct addition to clinic/hospital	\$150,000
Cook-Orr Healthcare District	Construct addition to Cook Hospital	\$450,000
Cotton, Township of	Improve town hall	\$30,000
Crane Lake Snowmobile Club	Construct cold weather testing facility	\$15,000
Crane Lake Volunteer Fire Department	Install dry hydrants	\$15,000
.....	Purchase 60 portable radios	\$25,000
Crosby, City of	Construct new city hall	\$150,000
Deerwood, City of	Improve city hall	\$75,000
Department of Natural Resources	Reconstruct Goldmine Road (Portage Township)	\$25,000
Disabled American Veterans	Improve facility (Hibbing)	\$100,000
Duluth, Township of	Construct new fire hall	\$150,000
East Range DAC	Improve building	\$75,000
Ellsburg, Township of	Construct new fire hall	\$40,000
Ely, City of	Construct golf course clubhouse	\$75,000
.....	Improve golf course	\$100,000
.....	Improve ski jump	\$40,000
.....	Improve municipal building	\$150,000
.....	Improve airport	\$40,000
.....	Renovate building for Department of Revenue	\$90,000
.....	Improve ice arena	\$60,000
.....	Improve water and sewer system	\$150,000
Embarrass, Township of	Improve trail and building	\$40,000
Emily, City of	Construct new fire hall	\$75,000
Eveleth, City of	Improve infrastructure	\$150,000
.....	Fund operational costs of Hockey Hall of Fame	\$50,000
.....	Construct Civic League recreation building	\$20,000
.....	Improve airport	\$150,000
.....	Improve water and sewer system	\$200,000
.....	Reconstruct streets	\$370,000
Eveleth Golf Course Commission	Improve course	\$60,000
Eveleth Hospital, Inc.	Improve building	\$275,000
Evergreen Volunteer Fire Department	Renovate fire hall	\$15,000

Fayal, Township of	Reconstruct road	\$100,000
	Extend watermain to Eveleth municipal system	\$36,000
	Improve drainage/reconstruct streets	\$100,000
Field, Township of	Improve town hall	\$3,500
French, Township of	Install fire protection system	\$35,000
Gilbert, City of	Construct watermains	\$85,000
	Construct new city hall (shortfall)	\$25,000
	Upgrade water plant	\$150,000
	Construct new city hall	\$300,000
Glen, Township of	Construct new town hall	\$25,000
Good Hope, Township of	Improve town hall	\$5,000
Grand Marais, City of	Construct new fire hall	\$200,000
	Upgrade water plant	\$50,000
Grand Rapids, City of	Improve airport	\$150,000
	Improve water and sewer system	\$200,000
	Improve airport	\$200,000
	Construct addition to fire hall	\$100,000
	Improve infrastructure	\$100,000
Grattan, Township of	Construct new town hall	\$10,000
	Improve town hall	\$10,000
Greenwood, Township of	Improve waste treatment system	\$40,000
	Improve cooperative fire fighting system	\$100,000
Hibbing, City of	Relocate and renovate historical society	\$45,000
	Improve Bennett Park	\$20,000
	Improve Memorial Building	\$200,000
	Improve handicapped access in city buildings	\$200,000
	Improve city hall	\$430,000
Hibbing Joint Recreation/Park Board	Improve Bennett Park	\$80,000
Hoyt Lakes, City of	Improve water system	\$191,000
	Relocate water source	\$150,000
	Improve recreation area	\$100,000
Iron Junction, City of	Improve sewer system	\$40,000
Iron Range Rehabilitation Center	Improve building	\$18,000
Itasca County	Construct addition to Itasca Nursing Home	\$75,000
Jefferson School PTA	Improve playground	\$4,000
Keewatin, City of	Improve drainage/reconstruct streets	\$100,000
	Construct new maintenance building	\$150,000
Kinney, City of	Improve building	\$4,000
Knights/Ladies of Kaleva	Improve building	\$50,000
Kugler, Township of	Improve town hall/garage	\$10,000
Lake County	Maintain trails	\$15,000
	Improve arena	\$90,000
Lakeland Volunteer Fire Department	Improve community/training center	\$32,000
LaPrairie, City of	Improve water system	\$100,000
Laurentian Senior Citizens	Improve building	\$6,000
Leiding, Township of	Improve drainage/reconstruct roads	\$35,500
Liberty, Township of	Construct new town hall	\$35,000
Long Lake Conservation Center	Improve facility	\$100,000
Lutheran Social Services	Construct building addition	\$50,000
Makinen Volunteer Fire Department	Improve recreation area	\$25,000
Marble, City of	Improve recreation area	\$75,000
Mesabi Humane Society	Construct addition to animal shelter	\$30,000
Mesabi Regional Medical Center	Improve emergency entrance, building addition	\$175,500
Minnesota Center for Rural Health	Establish loan fund for physician recruitment	\$125,000
Minnesota Foundation	Capitalize Chisholm Foundation	\$50,000
Mountain Iron Blueline Club	Improve hockey rink	\$4,000
Mountain Iron, City of	Improve recreation area	\$40,000
	Reconstruct streets	\$300,000
	Construct access road	\$15,000
	Extend municipal water to business	\$35,500
	Improve water system	\$140,000





Nashwauk, City of	Improve highway	\$200,000
.....	Demolish three buildings	\$5,000
.....	Construct new fire hall	\$35,000
.....	Improve sewer system	\$150,000
Northern Itasca Health Care Center	Construct building addition	\$150,000
Orr, City of	Improve waste treatment facility	\$150,000
Palisade Volunteer Fire Department	Install dry hydrants	\$3,000
Pike/Sandy/Britt Volunteer Fire Dep't.	Improve fire hall	\$15,000
Pike, Township of	Improve town hall	\$25,000
Portage, Township of	Improve drainage/reconstruct roads	\$50,000
Rabbitt Lake, Township of	Construct new town hall	\$45,000
Range Artists Association	Improve building	\$7,000
Range Center, Inc.	Install sprinkler system	\$100,000
.....	Improve building	\$40,000
St. Louis County	Install dry hydrants	\$5,000
St. Louis/Itasca Railroad	Construct multi-purpose trails	\$50,000
Sandy, Township of	Improve town hall	\$10,000
Silver Bay, City of	Acquire golf course	\$130,000
.....	Improve wastewater system	\$210,000
Stoney Brook, Township of	Construct town hall (shortfall)	\$15,000
Sturgeon, Township of	Construct fire hall (shortfall)	\$20,000
Tofte, Township of	Improve airport	\$150,000
Toivola, Township of	Improve fire hall	\$50,000
Tower, City of	Improve water system	\$150,000
.....	Reconstruct main street (shortfall)	\$100,000
Trout Lake, Township of	Improve sanitary station	\$7,000
Twelfth Step House	Improve building	\$25,000
Two Harbors, City of	Improve wastewater system	\$230,000
.....	Construct new fire hall	\$100,000
.....	Extend water and sewer to industrial park	\$200,000
Virginia, City of	Improve historical society	\$70,000
.....	Improve infrastructure	\$200,000
.....	Renovate senior citizens center	\$100,000
.....	Improve water and sewer system	\$430,000
.....	Construct new multi-purpose recreation facility	\$100,000
.....	Improve Bailey's Lake area	\$50,000
Virginia Regional Medical Center	Remodel building	\$150,000
Warba, City of	Construct new city hall	\$30,000
White, Township of	Improve community center	\$75,000
.....	Consolidate maintenance buildings	\$350,000
Wildwood, Township of	Complete town hall	\$8,000
Winton, City of	Repair water tank	\$15,000
Total	\$19,101,000



Aurora received a \$350,000 grant to provide the necessary infrastructure for the Minnesota Power Service Center building. Total project cost was \$1,228,589.



Grand Rapids received a \$150,000 grant for the construction of a terminal building at the Grand Rapids/Itasca County Airport. Total project cost was \$1,411,000.

- **Mineland Reclamation**
- **Mining Initiatives:**

*Governor's Task Force on Mining and Minerals
Taconite Assistance Program
Taconite Economic Development Fund*

RR

Mineland Reclamation



Since its creation in 1977, a hallmark of the Mineland Reclamation Division has been its ability to adapt to the changing conditions of the reclamation process. This flexibility has allowed the division to meet an array of new challenges while, at the same time, responding to the recurring situations of the past.

The division's mandate from the legislature is the responsibility for "reclamation, restoration or reforestation of minelands not otherwise provided for by state law." Over the years this mission has not changed, but the scope of what constitutes mineland reclamation and the methods for dealing with these changing conditions has constantly evolved.

Mineland Reclamation Logo

The Division adopted a new logo for display on its projects and developments in 1993. The logo outlines the northern portion of Minnesota with a pine tree in the center. The iron ore-brown highlighting the IRRRB service area contrasts nicely with a large green tree and royal blue area of western Minnesota. Look for the new logo at tree planting sites and reclamation project areas.

Black Spruce Progeny Test

The Division is conducting a long-term evaluation in conjunction with the Minnesota Tree Improvement Cooperative (composed of state and federal agencies, counties, wood products industries), in an attempt to develop a tree which grows rapidly, is disease and insect resistant and is symmetrical in form and branching with trees grown in the wild. The Division is currently growing several hundred black spruce seedlings whose parentage is known. These seedlings will be planted by the Cooperative and monitored for the desired characteristics.

Arbor Day Environmental Fair

The Mineland Reclamation Division-sponsored Arbor Day Environmental Fair has now become a tradition among area schools. These past two years, more than 2,300 fourth grade stu-



Area students partake in activities of the Arbor Day Environmental Fair.

Mining

dents attended the fair at the IRONWORLD USA site. The Iron Range community has gotten solidly behind the event with businesses, service organizations, government agencies and volunteers working together to make the event a success. A great tribute was paid the Arbor Day Environmental Fair by the National Arbor Day Foundation when it designated the fair the "Best in the Nation," in 1993.

Growth Chamber

With a capacity of more than 300,000 trees per year, the new growth chamber at Chisholm provides trees for Mineland Reclamation planting activities. Approximately 600,000 containerized seedlings were grown and planted during the last biennium. Additionally, a tree spade, a machine which transplants larger trees approximately 6 to 8 feet tall, works to enhance and beautify highway rights-of-way, city entrances, community buildings, recreation areas and other areas needing more immediate aesthetic improvement.

On Mother's Day 1992, a forest fire blackened 9,000 acres near the city of Tower. The Mineland Reclamation Division responded to this destruction rapidly. Working with other agencies to reclaim the burned vegetation, division personnel planted more than 35,000 trees in the affected area during the summer and a new forest is now rising from the ashes.

Since 1978, the division has planted more than 2.5 million containerized trees and shrubs.

Mineland Safety

During this biennium, the division sloped pits, planted trees and vegetation, constructed drainage and overflow protection systems, capped underground mine shafts, and fenced pits in an effort to make abandoned mining areas safe.

Vermilion Iron Range

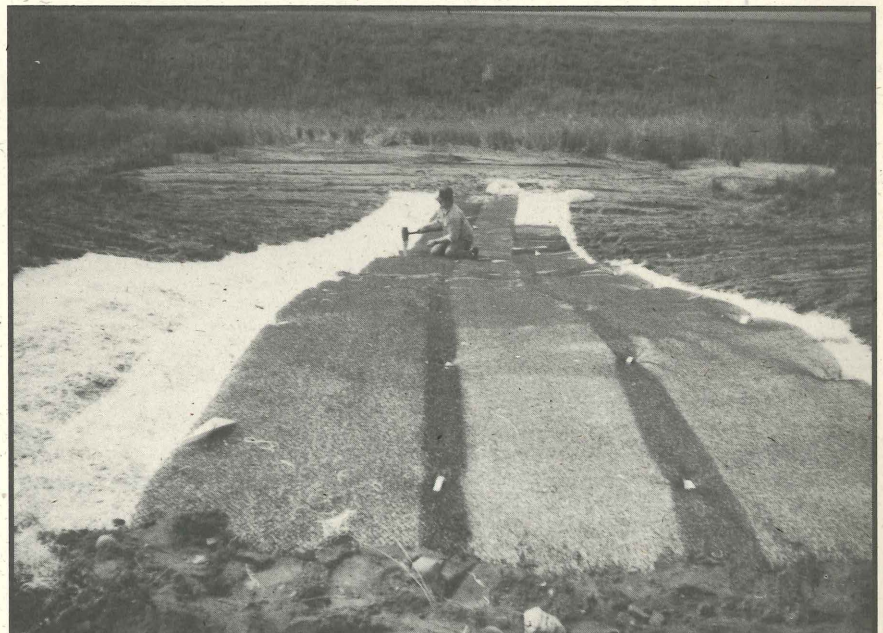
During this biennium, new projects on the Vermilion Iron Range included two multi-use trails (the Lee Mine at Tower and the Trezona at Ely) and a cooperative development project at the Pioneer Mine site which has the potential to become a museum/interpretive area, recreation area and a base for the area's artists and craftspeople. These additions have helped to enhance the Vermilion Range's existing facilities, beauty and allure to people from inside and outside the region.

Cuyuna Iron Range

During this biennium, the division worked on the Cuyuna Iron Range on a variety of projects including construction of Iron-ton Industrial Park, erosion control and revegetation, tree planting and area and community beautification. The division also provided funding and equipment for a project to determine base-line water quality in the mine pits. This data will be used to monitor water quality in coming years.

Special Projects

Over the years, the Mineland Reclamation Division has worked within its mandate to meet the challenges of these rapidly changing times. This is especially evident in the area of special projects. Emergency situations caused in whole or part by the influences of mining are quickly



A worker installs Encamat over a downslope ditch. As seed planted beneath the mat grows, it will hold the mat in place, preventing erosion.

addressed, especially when there is a threat to the environment, safety or health.

Additionally, the division has worked for several years with the Minnesota Geological Survey to collect all available data, both public and private, relating to the water resources of the Iron Ranges. Eventually, this data will become a "map" of the surface and underground hydrology and geology of the area which can be used for many purposes, including what effects various activities may have on the region's ecology.

The majestic white pine, native to north-eastern Minnesota, has all but vanished from the region. This is due not so much to logging as to disease, especially blister rust. The division has

been working closely with the Minnesota Tree Improvement Cooperative to develop a disease-resistant tree through grafting and controlled pollination so that this once plentiful and magnificent tree can reclaim its rightful spot in the northland.

The Mineland Reclamation Division has participated in the Mesabi Map Project for many years. These special maps present up-to-date information on mining activity, past and present, as well as recreational areas and governmental boundaries. The Mesabi maps provide a superb resource for industry, government and the general public. Table 4 below provides a complete list of projects worked on during FY93-94.



Table 4

FY93-94 Mineland Reclamation Projects by Category

Safety and Reclamation

Arbo Township	Control erosion and construct walking path	\$11,000
Cuyuna Range	Sample mine pit water quality	\$24,000
Fayal Township	Resolve residential water quality problems	\$36,000
Gilbert	Stabilize Gilbert Mine pit wall	\$9,000
Hibbing	Fund Hibbing tree nursery projects	\$70,000
Itasca County	Stabilize Canisteo Mine pit wall and berm	\$2,200
Keewatin	Control erosion of Carlz Mine pit wall	\$25,000
Marble	Control drainage near ballfield	\$25,000
Virginia	Demolish and fill in hazardous water tanks	\$18,500

Tourism

Breitung Township	Restore monument and wayside rest	\$15,000
Crosby	Fund operations of Croft Mine/north entrance	\$83,000
Cuyuna Range	Improve access to fishing pier and parking area	\$12,000
Ely	Fence Pioneer Mine and headframe access	\$15,000
Eveleth	Improve access to Leonidas Overlook	\$5,000
Gilbert	Improve campground area	\$20,000
Hoyt Lakes	Construct hiking/biking trail	\$15,600
.....	Restore CCC log building	\$10,000
Keewatin	Improve O'Brien Reservoir/Recreation Area	\$30,000
Mountain Iron	Improve historic train/overlook/campground	\$20,000
Nashwauk	Construct multi-use wayside	\$63,000
Regionwide	Fish Stocking	\$10,000
Research Center	Landscape and plant vegetation at building	\$40,000
Virginia	Complete Phase II of Finntown Overlook	\$15,000
.....	Upgrade "Viewpoint in the Sky" Overlook	\$21,700

Community/Economic Development

Aurora	Reclaim railroad area for city services	\$118,000
Bovey	Reclaim mine land for skating rink	\$28,800
Crosby	Construct road at Croft Mine Historic Park	\$21,500
Hibbing	Upgrade flying club grounds in North Hibbing	\$11,500
Research Center	Construct parking lot/fence in taconite area	\$11,200
IRONWORLD USA	Improve service road and parking area	\$8,500
.....	Improve Mesaba Junction multi-purpose area	\$17,000
Virginia	Enlarge remote control flying club grounds	\$5,000

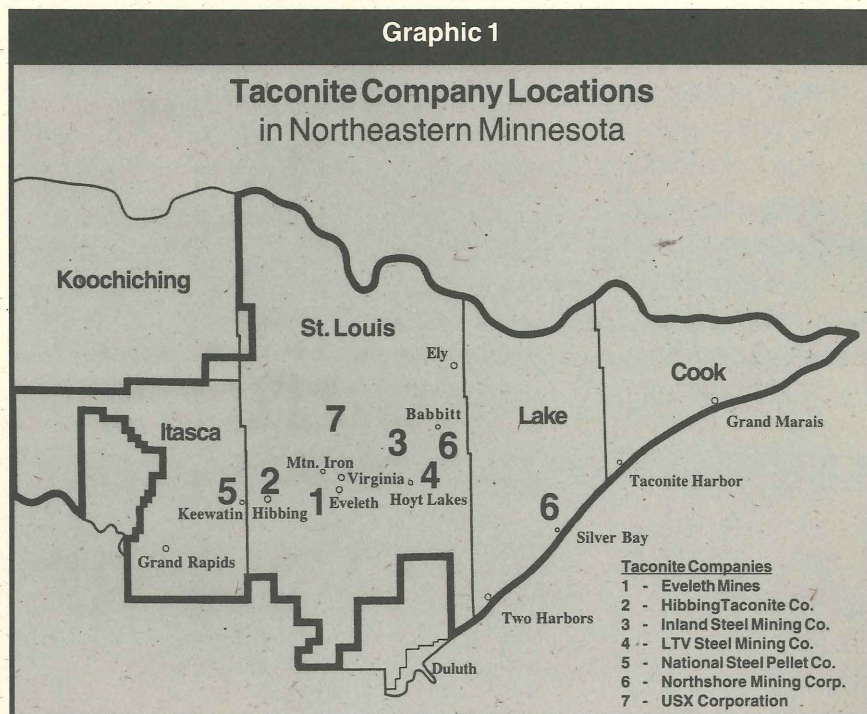
Although the IRRRB doesn't have a mining division, the area's dependence on mining requires that the agency be involved in important initiatives involving the taconite industry. During the past biennium, staff worked on the following initiatives: the Governor's Task Force on Mining and Minerals, the Copper-Nickel Committee, the University of Minnesota Mining Conference, the Taconite Assistance Program and the Taconite Economic Development Fund. Graphic 1 shows the location of the area's seven active mining operations.

Governor's Task Force on Mining and Minerals

The Governor's Task Force on Mining and Minerals was created by Governor Arne Carlson in January 1993 to study the various areas in which state government affects the mining industry, including taxation, royalties, regulations, environmental issues and mineral research and mineral policies of state agencies and institutions.

The task force first reported to the Governor in May 1993, and many of its initial findings impacted executive or legislative action. After being reconvened by its chairman, IRRRB Commissioner Jim Gustafson, in December 1993, it conducted five day-long meetings and completed its deliberations in February 1994 by issuing more than 20 recommendations in five general categories:

- State and Local Taxes
- Permits, Fees and Energy Consumption
- Metallic Minerals Research
- Federal Action
- Reconvening the Task Force.



The task force also served as a forum for debate over the issue of value-added iron products. Many industry analysts believe that a portion of the anticipated decline in demand for taconite pellets projected to gradually occur over the next decade can be replaced by direct reduced iron (DRI) or iron carbide, should a cost effective means be found to produce such products from northeastern Minnesota ores.

The task force made two recommendations designed to provide major incentives for such development to occur:

- A sales tax exemption for supplies and materials purchased prior to 2003 to construct various types of mineral processing facilities, including a DRI plant; and
- An advance credit of up to \$6 million from the Northeast Minnesota Economic Protection Trust Fund (NEPF) to be used towards such projects. This proposed credit was to be repaid to the NEPF within fifteen years through annual production or net proceeds taxes.

The 1994 Legislature ultimately approved a sales tax exemption for construction supplies and

materials for DRI plants, flux taconite pellets facilities, capital projects in excess of \$40 million at existing taconite facilities and new mines or mineral processing plants for minerals other than iron. Legislation was also passed which makes up to \$10 million from the NEPF available to the IRRRB to make loans of up to \$5 million to a company that constructs a DRI facility or a new nonferrous mine or minerals processing plant prior to 1996.

The task force also recommended several research initiatives which address new processing technology, including new ways to deal with mining waste in an environmentally sensitive manner. This approach is referred to as sustainable development which, by definition, considers both the long-term benefits and impacts of such development in the broadest economic sense, proactively addressing environmental protection and stewardship of our natural resources.

These recommendations complement 1993 legislation authored by members of the Iron Range delegation which makes Permanent University Trust Fund dollars available for minerals research and student scholarships. They also interface with initiatives of the Taconite Enhancement Committee, an ad hoc group established in 1992 by 8th District Congressman James Oberstar to promote the long-term viability of the state's mining industry.

Copper-Nickel Committee

In 1994, the task force recommended that a work group be established to determine what needs to be done to develop Minnesota's vast copper-nickel reserves. In June 1994, a group comprised of representatives of industry, labor, government and academia began to meet to make specific recommendations towards achieving this goal. By design, this process has been structured so that it remains an industry-driven effort. A report to the governor and legislature is planned for completion prior to the 1995 legislative session.

University of Minnesota Mining Conference

In 1993, the task force recommended that a conference of national significance be convened at the University of Minnesota to showcase the

contributions made by the mining industry to the TTRA, the State of Minnesota and the nation. The conference would discuss the opportunities and challenges that the iron and steel industries face as we move into the next century; and what the State of Minnesota, its university and the nation can do to help these important industries address those opportunities and challenges.

A committee comprised of representatives from industry, labor, government and academia has scheduled such a conference for Feb. 28 and March 1, 1995, at the University of Minnesota Twin Cities campus.

Taconite Assistance Program

The IRRRB has been working on the Taconite Assistance Program (TAP) since the spring of 1992. Designed to enhance the long-range viability of the northeastern Minnesota taconite industry, TAP provides up to \$2 million to each taconite producer in the form of loans, loan guarantees, grants or a combination thereof. The money is to be used for plant expansions, process improvements or new technology. Projects considered for funding under TAP must be approved by a joint management/labor committee established by the applicant in cooperation with its non-salaried production/maintenance workers.

Projects during the biennium included plant modifications and mobile equipment at Eveleth Taconite Company; new dust collection systems and plant upgrades at Hibbing Taconite Company; shop additions and plant improvements at Inland Steel; and construction of a super loading pocket at LTV Steel Mining Company. Money has been approved for USX Corporation to install new Derrick Screens in their concentrator to improve productivity, reduce supply costs, improve silica content and increase iron recovery. Cyprus Northshore Mining received funds for a pelletizer discharger modification project. National Steel Pellet Company's autogenous grinding project was approved early in FY95.

The IRRRB is contributing \$13 million toward \$75 million in total capital investments in the facilities. The program is a major cooperative effort directed at enhancing the long-term viability of Minnesota's taconite industry in an ever-changing global marketplace. Table 5 on page 18 lists the projects funded through the TAP during FY93, FY94 and FY95.



Taconite Economic Development Fund

In 1992, the Minnesota Legislature established the Taconite Economic Development Fund to be administered by the IRRRB as an incentive to the taconite producers in the region to make capital improvements to their plants and facilities. The incentive is in the form of a rebate to the producer based on tons of taconite produced during the prior year. Currently this rebate is 15.4 cents against the \$2.054 each producer pays per ton of pellets produced each year. Under current production levels this translates to approximately \$6 million per year distributed among all seven producers. A significant aspect of this program is that management and labor must cooperate and agree on the projects to be funded.

Projects during the biennium have included equipment purchases at Cyprus Northshore Mining; shop modifications and upgrades to the crusher at Eveleth Mines; updated mill controllers and electrical improvements at Hibbing Taconite Company; new furnace air controls and a truck weight scale at LTV Steel Mining; and newly configured column flotation equipment in the USX Minntac plant. Projects at Inland Steel Mining Company and National Steel Pellet Company are still pending.

As a result of this program, improvements and additions to the facilities through tax rebates have totalled over \$6 million for FY94. Table 5 below provides a list of projects funded through the Taconite Economic Development Fund during FY93 and FY94.

Table 5

Taconite Assistance Program Projects Approved for Funding in FY93, FY94 and FY95 (in Thousands)

<u>Mining Company</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>
Cyprus Northshore		\$1,700	
Eveleth Taconite			\$2,000
Hibbing Taconite		\$2,000	
Inland Steel	\$2,000		
LTV Mining		\$1,889	
National Steel			\$2,000
USX Corporation		\$2,000	
Total	\$2,000	\$7,589	\$4,000

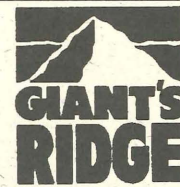
Taconite Economic Development Fund Taxes Received and Disbursed in FY93 and FY94 (in Thousands)

<u>Mining Company</u>	<u>FY93</u>	<u>FY94</u>
Cyprus Northshore	\$200	\$348
Eveleth Taconite	\$394	\$586
Hibbing Taconite	\$830	\$1,184
Inland Steel	\$233	\$445
LTV Mining	\$739	\$1,456
National Steel	\$508	\$647
USX Corporation	\$1,301	\$1,968
Total	\$4,205	\$6,634

Total Investment in the Taconite Industry during FY93-94-95 \$24,428,000

- **Giants Ridge Recreation Area**
- **Iron Range Research Center**
- **IRONWORLD USA**
- **Tourism Planning and Development**
- **Trails**

Giants Ridge Recreation Area



The increasing success of Giants Ridge Recreation Area near Biwabik, Minn., over the last decade resulted in many exciting projects during the FY93-94 biennium. Probably the most exciting project undertaken was the completion of feasibility studies for the construction of a world-class golf course and residential development at the Ridge. Construction of the 18-hole, resort-style course is scheduled to begin in October 1994 with completion in 1996. When the golf course and the proposed 200-250 lodging units are completed, Giants Ridge will have fulfilled its potential as a year-round destination resort/recreation area.

Actually, the proposed golf course development has already resulted in private development for the Biwabik area. The Laurentian Resort made a sizable investment and constructed 10 additional condominiums near Wynne Lake, bringing their total number of rentable units to 18 and their lodging capacity to 200-250 guests. They are planning additional expansions in conjunction with the proposed golf course. In addition, a new 27-unit motel will open in Biwabik in January 1995, and construction is scheduled to begin in the spring of 1995 on the Giants Bluff Resort Complex, which will include dome homes, an RV park and other development.

In response to the American with Disabilities Act, (ADA), Giants Ridge undertook an aggressive refurbishing program designed to make the facility totally accessible. An elevator was installed, giving easy access to all three floors of the chalet; bathrooms were remodeled and special sleds and classes have been made available to accommodate people with physical disabilities.



"Frosty" leads a group of young skiers through their lessons on the beginner hill.

These timely improvements make Giants Ridge a leader among ski facilities across the United States in compliance with ADA requirements.

Other capital improvement projects completed during this biennium included the construction of a new building to house the rental operations. An expansion of the kitchen area, along with streamlining the food service into a "scatter system" buffet line, created a new dining area and provided more space in the chalet. Improvements were also made to widen some of the cross-country trails.

Giants Ridge hosted more than 25 winter events for cross-country, biathlon, alpine, freestyle skiing, snowboarding, training camps and the Special Olympics during each year of the biennium. Major events included the U.S. Junior Cross-Country Ski Championships in 1993 and the U.S. Master's Cross-Country Ski Championships in 1994.

Currently consisting of four chairlifts, a J-bar, an extensive snowmaking system supporting 22 snow guns, 19 alpine runs and 55 kilometers of cross-country ski trails, Giants Ridge attracts a large clientele from throughout the upper Midwest and Canada. Through determined effort, the

IRRRB subsidy has been substantially reduced. In 1992-93, attendance was 128,000. In 1993-94, as a result of an unseasonably cold winter, attendance decreased to 114,000.

Giants Ridge annually generates more than \$8 million in economic impact, provides quality recreational opportunities for the people of the Iron Range, and has established itself as a premier event center, all of which help to enhance the quality of life in northeastern Minnesota. The addition of a golf course at Giants Ridge during the upcoming biennium will not only turn it into a year round facility, it will also greatly enhance the "Ridge's" ability to impact the region's economy.

Iron Range Research Center



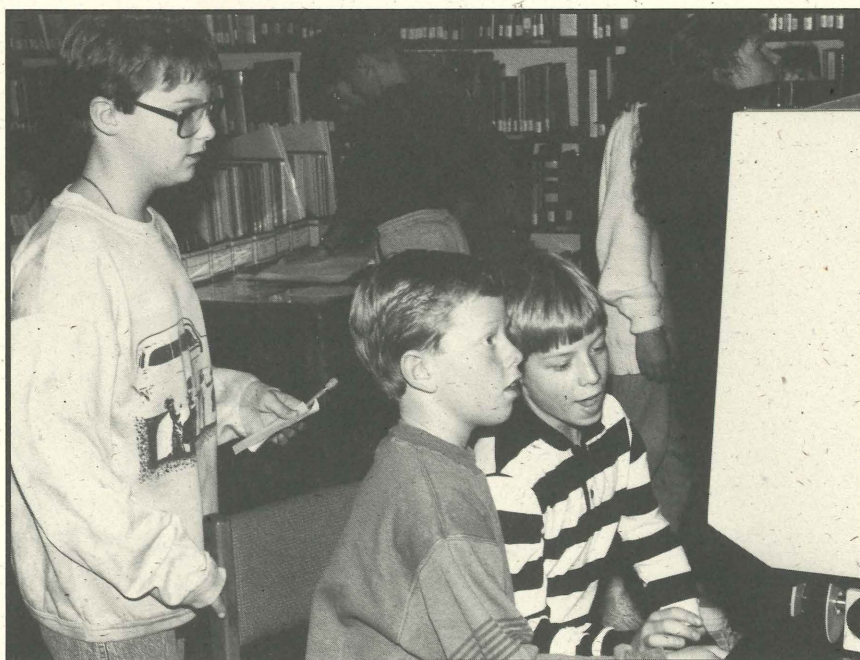
Libraries are often thought of as "staïd" or "unchanging" facilities, but the Iron Range Research Center (IRRC) proved during this biennium that that perception is not always accurate. During the past two years, creation of an IRRC Task Force provided opportunities for long-range planning, cooperative efforts with IRONWORLD and the Mineland Reclamation Division led to the development of a new Civilian Conservation Corps (CCC) exhibit and the establishment of a new education program, building modifications improved access to the facility and new equipment expanded the menu of services provided to patrons.

IRRC Task Force

At the request of Commissioner Gustafson, a task force was organized to make recommendations on the center's current operational strategy and to develop a long-range

plan for the future. Chaired by Deputy Commissioner Gary Ellefson, the task force was also composed of staff members, professionals in the library and educational communities, and other representatives of the Range community.

The task force's recommendations included: expanding the center's role in education, developing a marketing plan, maintaining closer ties with the existing library systems and fostering a greater cooperation with the industrial base of the region, especially the mining companies. Staff



Students work at one of the interactive learning stations as part of "Beyond School Walls."

also followed the suggestions of the task force by implementing a five year plan for the Center's future and by publishing the "Chronicle," a newsletter circulated to institutions and interested parties nationwide three times each year.

New Project Development

The IRRC worked with Mineland Reclamation Division and the IRONWORLD USA staff on the initial development stages of the CCC Interpretive Museum and the Beyond School Walls education program.

CCC Interpretive Center

It began as a dream for the members of Virginia's Chapter 119 of the National Association of CCC Alumni and became reality in 1993. Recognizing the need to document and make note of the valuable contributions of the CCC to the rehabilitation of northeastern Minnesota, the IRRRB approved the construction of a CCC Interpretive Center at IRONWORLD USA. This new exhibit, housed in a 28 foot by 38 foot log building, tells the story of this important Depression-era program which not only began the renewal of the forest resources of the area, but also renewed the faith of America's youth in itself. Now that the exhibit is finished, the IRONWORLD USA staff are responsible for its operations and programming.

"Beyond School Walls"

Students churn butter and weave "dream catchers" as part of the new "Beyond School Walls" education program located at the IRONWORLD USA complex. The program includes 16 interactive learning stations that provide unique learning experiences for students outside the classroom. Teachers may choose how many stations

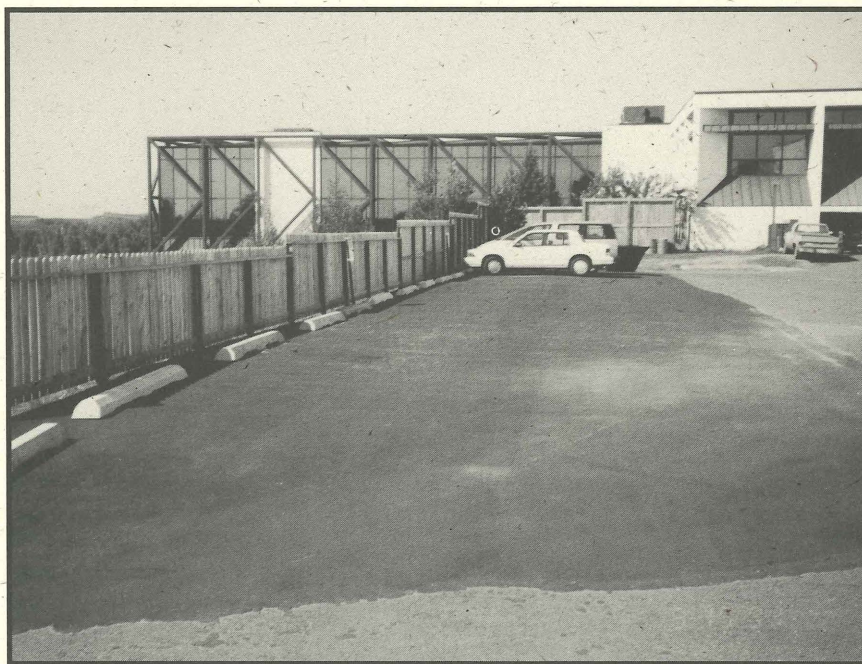
their students attend, depending on their time limits and interests. Much of the program is aimed at instructing students in the history and culture of the Iron Range in an interesting and lively way, making for an enjoyable learning experience.

Word of this innovative program has spread, resulting in increased participation. In 1993, the first year the program was offered, more than 5,000 students participated. During the spring 1994 program, more than 7,200 students attended. The program has been so well-received by school groups, that plans are currently underway to expand in other markets, such as group tours and senior clubs. The IRRC is responsible for operating and promoting this program.

Building Improvements

Physical Access

Responding to the spirit of the Americans with Disabilities Act (ADA), the staff and the task force sought solutions to this challenge. Rather than constructing a new facility or attempting to add onto the existing building, where space is at a premium, a decision was made to modify the



A new parking area was constructed behind the Iron Range Research Center.

facility to improve accessibility. A new parking lot behind the center and alterations of the lower level to enable public use of the elevator satisfied the requirements at an acceptable cost. These

modifications paid dividends almost at once as patron usage increased dramatically shortly after installation in October 1993.

Expansion of the Archives

At the time of its construction, the IRRC was the only facility in the state of Minnesota built specifically as an archives/library. Designed to house one-of-a-kind documents, pictures and records in addition to special collections and printed materials germane to the Iron Range, the IRRC's temperature and humidity are controlled with secure, designated areas for the different types of collections.

The IRRC archival collections area originally included approximately 15,000 square feet,

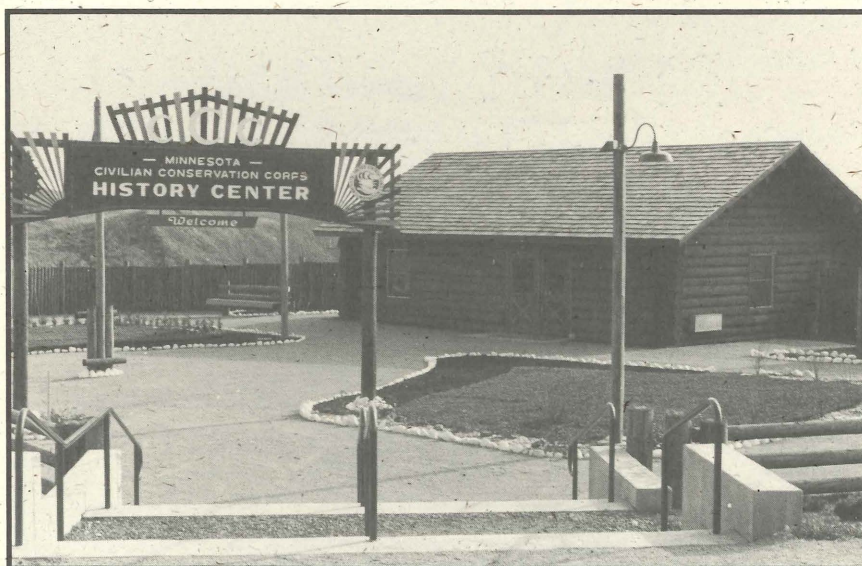
have been produced highlighting such topics as iron ore mining, the CCC and arts and crafts heritage. A cooperative project with the U.S. Forest Service resulted in videos covering the history of northeastern Minnesota and the Superior National Forest. Most of these videos are available for sale through the IRRC.

Collections

The IRRC is designated by the Minnesota Historical Society as a repository for public records of cities, townships, school districts and publicly funded agencies, such as the IRRRB. Over the years, the majority of the records of public and government entities have found an environmentally safe and secure resting place in the IRRC,

available to any resident who may wish to view them. Other major collections located at the IRRC are those of mining companies, social and fraternal organizations and individuals.

In the library, a patron may find, or order through inter-library loan, census documents, maps, naturalization papers, theses and dissertations and a wealth of other information relating to the history of the region.



Grounds and building of the new CCC Interpretive Center at IRONWORLD USA.

which many thought would never be even half filled. However, by 1990, the center had run out of room. In searching for a cost-effective way to enlarge the storage area without new construction, the staff visited other facilities with similar problems. A relatively new storage method, using mobile shelving, promised the best results. After installation, the capacity of the IRRC archives nearly doubled within the existing floor space.

Services

Video Productions

The newest service offered by the Research Center is the production of high-quality video programs. Drawing on the technical expertise of the staff of IRONWORLD USA, several videos

information relating to the history of the region.

Oral History and Visual Images

Much of the history of the Iron Range is in the hearts and minds of its residents. For this reason the Research Center has continued its popular and long running oral history program. Conducting projects such as "Life in a Mining Location," "Community Life in Chisholm" along with Mountain Iron and Eveleth, "World War II Veterans" and "Immigration" have added significantly to the historical resources of the area. Many of the tapes are transcribed and made available to scholars, the media, playwrights and those interested in the Iron Range. If a photograph does indeed say a thousand words, then the collections of the Research Center present an

encyclopedia of the Iron Range. The history and industry of this region are contained in the thousands of cataloged photos which are used in exhibits, publications and media productions. They are also available to patrons. All photos are custom processed and displayed according to accepted archival standards.

The IRRRC opened to the public in 1980 with a mission "to encourage the study of Iron Range history, the IRRRC identifies, collects, processes, catalogs, preserves, displays and makes accessible the historically significant written, oral and visual records of Minnesota's Iron Ranges." That mission still holds true today.



IRONWORLD USA



IRONWORLD USA, an entertainment and history complex located in Chisholm, Minn., saw many significant changes during the biennium including new exhibits, a new education program and a new management company.

Exhibits

Three new exhibits opened during the biennium: Mesaba Junction, the Civilian Conservation Corp (CCC) museum and the remodeled Taconite Exhibit. These were cooperative projects among the Iron Range Research Center, IRON-

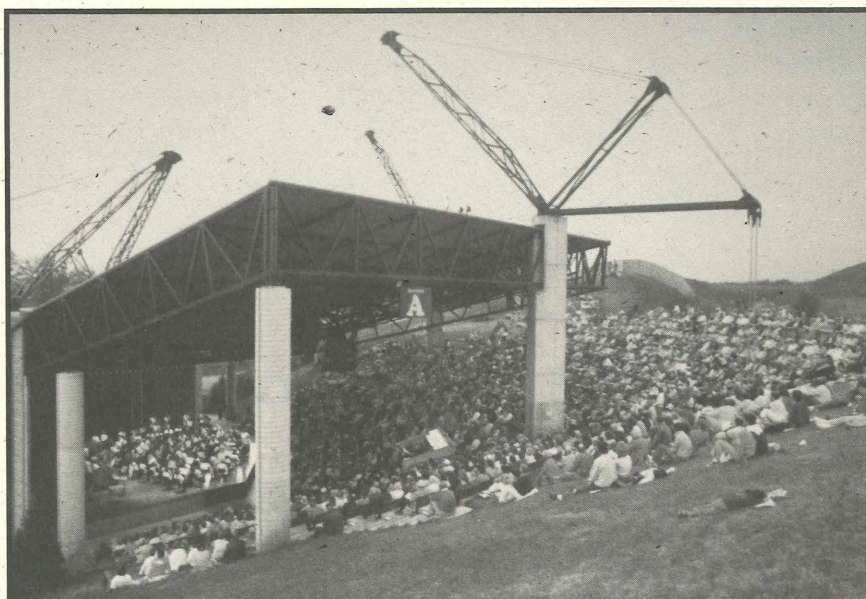
WORLD USA, the mining industry and the general public.

- Mesaba Junction, a living history exhibit area located across the Glen Mine, celebrated its grand opening on June 18, 1993. IRONWORLD USA's two electric trolleys, reminiscent of those serving the Iron Range until the mid-1900s, and a diesel train transport visitors to this area where they disembark at the newly-restored 1990-vintage Wilpen railway depot. A house that was originally part of the



A view overlooking the IRONWORLD USA Festival Park in full summertime grandeur.

vanished mining community known as the Glen Location has also been restored to reflect the early 1900s lifestyle. Costumed interpreters help to recreate the ambiance of a typical miner's home. Visitors can also visit an old railroad bunkhouse, climb aboard vintage mining equipment, or walk along paved trails to enhance their experience at Mesaba Junction.



The Duluth Symphony Orchestra performs to a full house at the award winning Amphitheater

- In June 1993, the new CCC Interpretive Museum was dedicated. For the better part of a decade, the local alumni of the Depression-era CCC had worked to make this project a reality. The new exhibit captures their memories and relates how this great conservation effort saved the environment of northeastern Minnesota.
- In May 1993, a remodeled exhibit explaining taconite mining and production became a new focal point in the Interpretative Center. Area taconite mines provided enormous input and assistance in developing this informative look at the region's primary industry. Video footage of actual mining operations is displayed on television monitors throughout the exhibit. A 30 minute, multi-media presentation titled "Taconite Mining the Modern Way" runs every half hour in the theater, further explaining how taconite is mined and processed.

Education

The new "Beyond School Walls" education program was developed in 1993 and was targeted specifically toward school groups. The program offers students from pre-school through grade 12 opportunities to interact with teachers/interpreters in learning station settings. They see, feel and experience the history and culture of the Iron Range through a variety of hands-on, participatory activities. This program, which was

established through the combined efforts of IRONWORLD USA, the IRRRC and the Mine-land Reclamation Division, is currently coordinated through the IRRRC.

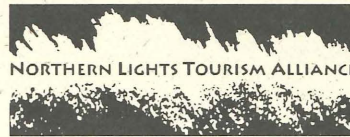
Management

Over the past three years, attendance increased from 120,000 people in 1991 to 134,000 in 1992 and 145,000 in 1993. The IRONWORLD USA complex continues to be subsidized by the IRRRB; however, efforts to reduce operating costs while increasing revenue during the past three seasons have led to a decrease in the subsidy.

In May 1994, Mid-America Festivals of Minneapolis was hired under a management contract in an effort to further reduce the operating subsidy and enhance the impact of IRONWORLD USA on the region. Their objectives included increasing revenue and decreasing operational costs through cost-effective management. Because the fiscal year ended on June 30, 1994, and IRONWORLD USA's 1994 season ends on October 31, MAF's impact will be reported in the next biennial report.

IRONWORLD USA continues to evolve as a multi-dimensional tourist attraction. Its many components - Festival Park, the Iron Range Interpretative Center, the IRRRC, Mesaba Junction, the Children's Area, the CCC Museum and the 1,700-seat amphitheater - serve a diverse audience as a historical repository and exhibit center, as a cultural and entertainment facility, and as an outstanding educational opportunity.

Tourism Planning & Development



Increased emphasis on tourism and its impacts on the region led to increased support of tourism activities during the biennium. The Tourism Planning and Development Division's regional promotion program jumped into high gear during the FY93-94 biennium as a result of the efforts of the agency's new citizens advisory group, the Northern Lights Tourism Alliance (NLTA). Increased grant funding for tourism projects and opening the Wild North Travel Center in Duluth also demonstrated the agency's support of tourism activities.

Northern Lights Tourism Alliance

The mission of the Northern Lights Tourism Alliance is to identify and implement plans to cooperatively market travel to and throughout the IRRRB service area; to provide area information services; and to assist with industry development in order to maintain and increase the gross sales of Iron Range travel-related business.

The NLTA's efforts are divided into three major activities: marketing, natural resource enhancement and infrastructure. A committee of volunteers works in each area to develop programs and projects in these areas.

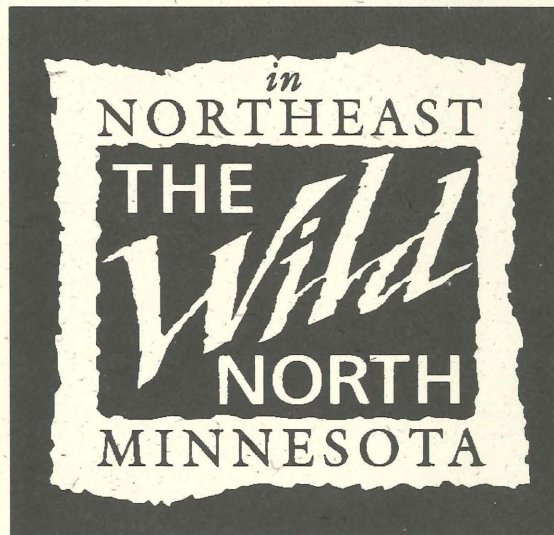
The NLTA made its first budget recommendations in FY93. The IRRRB Board approved \$265,000 to be used as follows: marketing - \$125,000; grant programs - \$75,000 and resource enhancement - \$65,000.

Two grant programs - Joint Venture Marketing and Special Events - were created to provide matching grants of up to \$5,000 and \$2,500, respectively, to local communities and nonprofit tourism associations for marketing and promotion. Table 6 on page 26 lists the Joint Venture Marketing and Special Events grant recipients for FY93-94.

The resource enhancement budget provided funding for natural resource-based tourism projects such as the "Good Sport" selective harvest campaign and creel surveys.

In FY94, the budget was approved as follows: marketing - \$145,000; grants - \$105,000 and infrastructure - \$75,000.

Russell and Herder Advertising & Public Relations began working with the NLTA in September 1994. Utilizing R&H's expertise, the marketing committee has launched a successful advertising campaign entitled, "The Wild North." This theme is being used on all NLTA advertising, public relations and collateral materials.



The infrastructure budget provided funding for septic system and heritage tourism projects. The IRRRB/NLTA hosted a Septic Symposium in June 1994 and invited four national experts to present information on alternative on-site septic systems that are currently being used in other areas. As a result of the symposium, the IRRRB/NLTA are currently working with the county health departments in the TTRA to establish pilot projects that will test some alternative systems in this region. The infrastructure committee is currently working on a heritage tourism conference to be held in February 1995.

While the NLTA provides a cohesive approach to tourism promotion, each community and attraction maintains its unique identity, personality and appeal.



Grants and Projects

The tourism division provides grants for tourism-related projects. In FY93, the grants/projects budget was \$336,250; and in FY94, it was, \$265,000. This money is used for development and promotion of area attractions such as the International Wolf Center in Ely, for operation costs associated with tourism-related programs such as the Hospitality Host program and for promotion of the area through sponsorships such as the Minnesota Broadcaster's Association and the Mesabi Trail Project.

Wild North Travel Center

Located in the Holiday Center Mall in Duluth, Minn., the Wild North Travel Center was established in May 1993 to promote travel into the Taconite Tax Relief Area. The center's goal is to provide information and travel counseling services to draw residents and visitors from Duluth to northeastern Minnesota. In addition to providing information, the center also sponsors tours into the TTRA and sells merchandise representing northeastern Minnesota's culture, history and attractions.

Table 6

Joint Venture Marketing Grant Program - FY93-94

<u>Grant Recipient</u>	<u>Project</u>	<u>FY93</u>	<u>FY94</u>
Aitkin Area Chamber of Commerce	Advertise "UpNorth Adventurer"	\$5,000	\$3,000
Ash River Trail Commercial Club	Develop brochure		\$5,000
Babbitt-Embarrass Area Development Assoc.	Develop brochure		\$3,500
Crane Lake Commercial Club	Advertise on television		\$5,000
Crane Lake Commercial Club	Advertise in publications		\$4,352
Ely Area Chamber of Commerce	Advertise winter opportunities	\$4,200	\$5,000
Explore Lake County	Develop a map/brochure		\$3,000
Grand Rapids Convention & Visitors Bureau	Promote group tours		\$4,840
Gunflint Trail Association	Advertise	\$2,928.50	\$5,000
Hibbing Area Chamber of Commerce	Develop brochure		\$5,000
Hibbing, City of	Promote meetings/conventions		\$2,000
Iron Trail Convention & Visitors Bureau	Advertise Iron Trail communities	\$5,000	\$5,000
Iron Trail Convention & Visitors Bureau	Host fam tour/attend trade shows	\$2,000	\$4,365
Iron Trail Convention & Visitors Bureau	Promote sleep & ski packages		\$3,500
Lake Vermilion Resort Association	Advertise and attend trade shows	\$5,000	\$5,000
Lutsen-Tofte Tourism Association	Promote Cook County	\$5,000	\$5,000
Lutsen-Tofte Recreation Management	Advertise golf course		\$5,000
Orr Economic Development Council	Promote winter activities		\$5,000
Orr-Pelican Lake Resort Association	Advertise	\$2,500	\$4,500
Totals		\$31,628.50	\$83,057

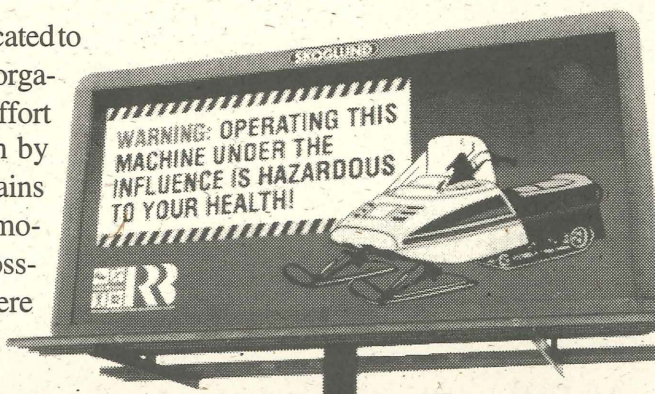
Special Event Grants Program - FY93-94

<u>Grant Recipient</u>	<u>Event</u>	<u>FY93</u>	<u>FY94</u>
Aitkin Area Chamber of Commerce	Festival of Adventures		\$1,000
Babbitt, City of	Peter Mitchell Fun Days		\$1,200
Chisholm Area Chamber of Commerce	1994 World Series Kitty Cat Races		\$2,000
East Range Cross-Country Challenges	Pepsi Challenge Cup Race	\$2,500	\$2,500
Ely Area Chamber of Commerce	"Harvest Moon" Festival		\$2,500
Ely Wilderness Trek	Wilderness Trek/Voyageur Weekend	\$2,000	\$2,000
Esslinger Classic, Inc.	Esslinger Classic Sled Dog Race	\$1,735	\$2,500
Gunflint Trail Association	Art Colony Snow Sculpture Festival		\$2,000
Hibbing Parks & Recreation	Hull Rust Days		\$1,500
Hibbing/Chisholm Aviation Days Committee	Hibbing Soap Box Derby	\$1,500	\$1,200
Hoyt Lakes Water Carnival Committee	Hoyt Lakes Water Carnival	\$1,425	\$1,650
Iron Range Racing Association	Labor Day Shootout	\$2,500	
Itasca County Historical Society	Judy Garland Festival	\$2,500	\$2,500
Kabetogama Lake Association	Kab Fun Fest		\$2,000
Northern Lights Nordic Ski Club	Vinterloppet		\$1,856
Palo-Markham School Group, Inc.	Laskiainen	\$1,000	\$1,000
Two Harbors Folk Festival	Folk Festival/Heritage Days (FY94)	\$1,250	\$1,750
Vinterslass, Inc	Vinterslass Festival	\$2,500	
Totals		\$18,910	\$29,156

The IRRRB Trails Division is dedicated to serving local clubs and volunteer organizations within the TTRA in an effort to diversify the economy of the region by enhancing winter tourism. This area contains more than 3,100 miles of groomed snowmobile trails and more than 1,000 miles of cross-country ski trails, the majority of which were developed and are currently maintained by local volunteer groups.

In addition to providing technical assistance and equipment for trail development and maintenance, the Trails Division awarded \$97,250 in grants to governmental units and local organizations for trail design and construction. For a list of FY93-94 trail grants, please see Table 7 below.

The Trails Division promotes tourism and winter recreation through various public relations and advertising efforts. In December 1993, the division launched a region-wide Safety Awareness Campaign in conjunction with another international and statewide campaign. The main objective of this multi-year effort is to maintain and enhance the positive image of snowmobiling,



along with reinforcing the idea of recreating in a safe manner. The billboard shown above is an example of the materials used in the safety awareness campaign.

The Trails Division also sponsored and coordinated two new events during the past biennium: the Iron Range Snowmobile Grass Drags and the Iron Range Snowmobile Hill Climb. The grass drags were held over Labor Day weekend at the Eveleth-Virginia Airport in 1993 and 1994. The hill climb was held at Giants Ridge Recreation Area in April 1994. Both of these events were successful and will most likely be continued.

Table 7

Trail Grants Awarded during FY93-94

<u>Service Area</u>	<u>Trail Name/Project</u>	<u>FY93</u>	<u>FY94</u>
Babbitt	Babbitt Area Development Association	\$1,250	
Coleraine	Keystone		\$4,250
Crane Lake	Volunteer Fire Department/Rescue Sled	\$1,000	
Ely	Ely Hospital/Rescue Sled	\$1,000	
Emily	Browns Lake	\$3,000	\$6,000
Grand Rapids	Driftskippers		\$3,375
Hibbing	Carey Lake Cross-Country Ski	\$2,000	\$5,000
Grand Marais	Upper Gunflint Cross-Country	\$3,500	\$9,000
Grand Marais	Pincushion Mountain	\$1,000	
Hibbing	Hibbing North/South	\$3,000	\$6,000
Hibbing	Side Lake Spur	\$3,750	
Iron Range	Iron Range Snowmobile Grass Drags	\$3,000	\$3,000
Iron Range	Iron Range Snowmobile Hill Climb		\$3,000
Lutsen	Lutsen	\$2,500	
Nashwauk	Daybrook	\$10,000	\$6,000
Orr	Orr Ambulance Service/Rescue Sled		\$1,000
Pengilly	Blackberry	\$2,500	
Pengilly	Greenway Snowmobile Club		\$8,500
Tofte	Tofte	\$2,000	
Tower	Tower Cross-Country Ski		\$2,625
Total		\$39,500	\$57,750

Financial Information

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

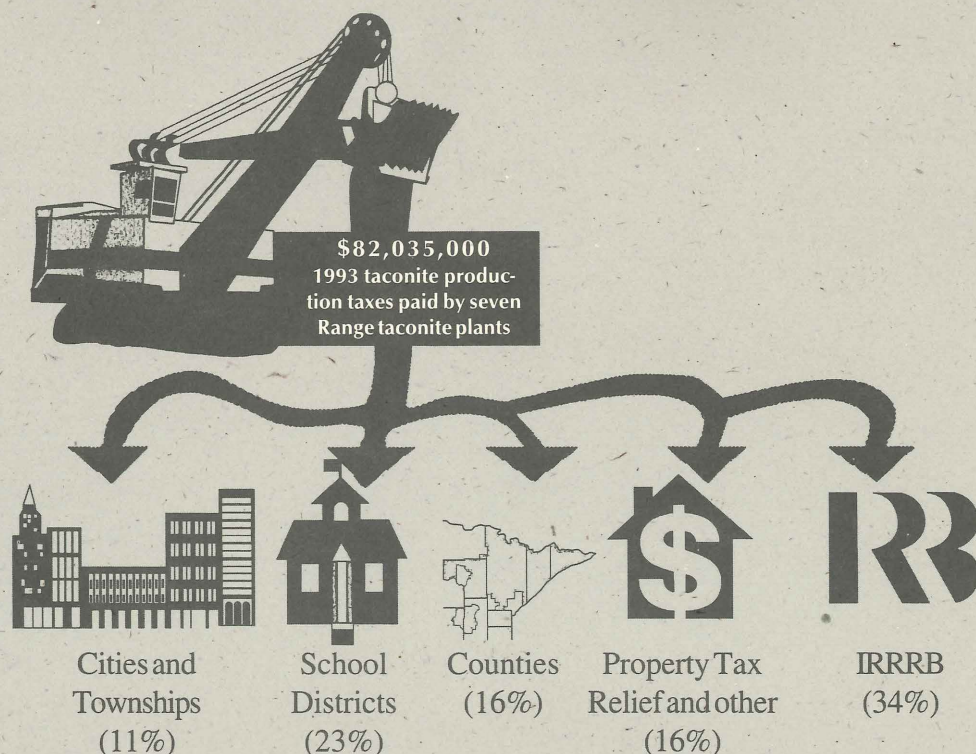
Taconite production taxes are based on the level of taconite production which occurs in each calendar year, and taxes are paid by the mining companies shortly after the end of the calendar year. School districts, cities, townships and counties are the primary recipients of the taconite tax dollars. The funds are distributed by a formula

designated in Minnesota Statute 298.28. Once this distribution is made, the IRRRB receives the remaining funds. Graphic 2 below shows the distribution of the 1993 taconite tax revenues by percentage. The IRRRB also receives interest on taconite monies paid to the counties for other distribution, such as property tax relief or municipal aid.

The IRRRB operates on a fiscal year basis (July 1 - June 30), and generally budgets the taconite tax expenditures for the year following the receipt of the tax monies. For example, taconite production taxes based on calendar year 1992 production levels were paid to the IRRRB during FY93 and were budgeted for expenditure by the IRRRB in FY94.

Graphic 2

Distribution of 1993 Taconite Tax Revenues (by Percentage)



The taconite production tax rate for concentrates produced in 1992 and 1993 was \$2.054 per taxable ton. The taxable tonnage in a given year is based on the average tonnage of that year and the preceding two years.

Operational Accounts

IRRRB programs are funded through three operating accounts: the IRRR Board Account, the Taconite Area Environmental Protection Fund (TEPF) and the Northeast Minnesota Economic Protection Fund (NEPF). Because of the unpredictability of the annual level of taconite production taxes, the IRRRB historically has maintained a significant carry forward of funds each year. The carry forward to FY95 for all three operating accounts totaled \$32,562,000, which included \$7,248,000 to complete projects which were approved in FY93 or FY94.

Also, the agency administers funds in the Supplemental Tax Account for Koochiching and Carlton counties.

Board Account and Taconite Area Environmental Protection Fund

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

Northeast Minnesota Economic Protection Fund

Interest earnings on invested cash and loan repayments are the primary sources of funding for the NEPF funds administered by the IRRRB.

Supplemental Tax Account

The Supplemental Tax Account is funded by occupation taxes according to Minnesota Statute 298.17. Except for an administrative charge, all funds are disbursed for economic and environmental development projects at each county's discretion.

Non-Operational Accounts

Northeast Minnesota Economic Protection Trust Fund

The IRRRB administers the corpus of the Northeast Minnesota Economic Trust Fund (the "2002 Fund"). Interest earned on the corpus is credited to the IRRRB Northeast Minnesota Economic Protection Fund for economic development projects. Only the state legislature can authorize appropriations from this corpus. Table 8 below shows the sources and uses of funds in the "2002 Fund" during FY93-94.

Table 8

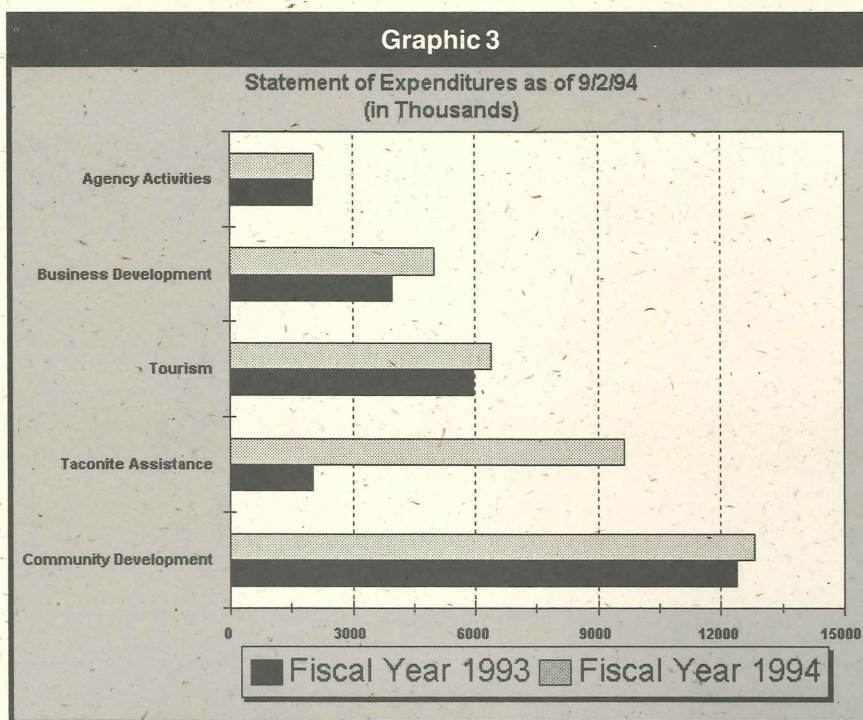
Northeast Minnesota Economic Protection Trust Fund (Corpus)		
(Dollars in Thousands)		
	FY93	FY94
Sources of Funds		
Prior Year Carry Forward	48,854	54,092
Taconite Production Taxes	5,145	3,477
Interest Earned by Counties	93	68
Total Sources	\$54,092	\$57,637
Uses of Funds		
Carry Forward	54,092	57,637
Total Uses	\$54,092	\$57,637

Taconite Economic Development Fund

The Minnesota Legislature established the Taconite Economic Development Fund (TEDF) as an incentive to taconite producers in the region to make capital improvements to their plants and facilities. The incentive is in the form of a rebate, currently \$.154 per ton, to the producer based on tons of taconite produced during the prior year.

Taxes are calculated by the Department of Revenue - Minerals Division and rebated back to the mining companies through the IRRRB. This ensures that the mining companies spend the money on IRRRB-approved projects. *Please see page 17-18 for more information about TEDF funds.*





Graphic 3 shows how the IRRRB expenditures during FY93-94 were distributed among the agency's various activities. These expenditures are taken from the financial statements on the following pages. This graph excludes carry forward balances because they are not considered as expenditures. Statements of sources and uses of funds for FY93 and FY94 are shown on pages 31 and 32.

Information Systems

The IRRRB made two significant improvements in its information systems during this biennium: hiring a full-time information systems manager to manage its hardware and software systems and hiring a consultant, Arthur Anderson, Inc., of Minneapolis, Minn., to evaluate and improve its accounting systems. The agency also supported the efforts of the Northeastern Minnesota Telecommunity.

During FY94, the State of Minnesota began developing the new Statewide Systems Project (SSP) which will completely revise the state's accounting, purchasing and personnel systems. The goal of SSP, which will be operational by July 1, 1995, is to connect all state agencies in one Wide Area Network (WAN). A router installed at Eveleth connects to the WAN and allows the agency to "talk" directly to the mainframe in St. Paul, Minn.

In conjunction with the SSP, Arthur Anderson, Inc., implemented a new accounting reporting system called Helmsman, which allows users to see an overall position report of the entire agency, or follow a "drill-down" routine to get as much detail as needed within any agency subdivision.

In addition to the SSP, a Local Area Network (LAN) system was installed at Giants Ridge, and the LANs at Eveleth and IRONWORLD were upgraded with new server computers which work faster and have more storage space.

A computerized ticketing system and an automated reservation system are scheduled to be installed at Giants Ridge for the 1995 season. The automated reservation system will greatly improve the utilization of the Ridge's training center for lodging.

Northeastern Minnesota Telecommunity

During the biennium, the IRRRB participated in and provided meeting space and office support to the Northeastern Minnesota Telecommunity (NEMT). The NEMT is a collaborative effort dedicated to the development of cost effective telecommunications for education, health, government, library and business organizations in northeast Minnesota. The group promotes information sharing, distance education and improved communications in this region and the entire state; focusing on networking in the areas of voice, video and data.

Fiscal Year 1993
Statement of Sources and Uses of Funds as of 9/2/94
(Dollars in Thousands)



Sources of Funds	IRRR Board	TEPF	NEPF	SUPP Tax	Totals
Carry Forward	4,015	11,999	23,423	406	39,843
Taxes*	3,791	17,618		404	21,813
Department Receipts					
Giants Ridge	1,144				1,144
IRONWORLD USA	564				564
Miscellaneous *	155		696		851
Interest Earned on Invested Cash	706	1,869	3,698		6,273
Loan & Note Payments	78		1,980		2,058
Total Sources of Funds	\$10,453	\$31,486	\$29,797	\$810	\$72,546

Uses of Funds	IRRR Board	TEPF	NEPF	SUPP Tax	Totals
Transfer to State General Fund					
Amphitheater Loan Repayment	45				45
Agency Activities					
Agency Operational Costs	627	726	267	14	1,634
Eveleth Office Improvements		342			342
Business Development and Property Management	25		3,930		3,955
Tourism Development					
Giants Ridge	1,251				1,251
IRONWORLD USA		2,105			2,105
Research Center		760			760
Tourism Promotion	71	9			80
Trails		439			439
Tourism Planning and Development		543			543
Railroad Mesaba Junction		137			137
Tourism Facility Construction					
Giants Ridge Chalet		609	2		611
Community Development					
Research & Planning	495				495
Community Development	1,998	8,009		392	10,399
Mineland Reclamation	29	1,109			1,138
Building Demolition			378		378
Taconite Assistance		2,000			2,000
Carry Forward	5,912	14,698	25,220	404	46,234
Total Uses of Funds	\$10,453	\$31,486	\$29,797	\$810	\$72,546

*Notes to the Financial Statement

Sources of Funds

Taxes were collected in 1992 for 1991 production:

NEPF miscellaneous receipts include:

-\$303,000 in equipment sales

-\$200,000 in bond lapsed letters of credit



Fiscal Year 1994
Statement of Sources and Uses of Funds as of 9/2/94
(Dollars in Thousands)

Sources of Funds	IRRR Board	TEPF	NEPF	SUPP Tax	Totals
Carry Forward	5,912	14,698	25,220	404	46,234
Taxes*	3,778	14,605		395	18,778
Department Receipts					
<i>Giants Ridge</i>	1,010				1,010
<i>IRONWORLD USA</i>	521				521
<i>Miscellaneous</i>	68		226		294
<i>Interest Earned on Invested Cash</i>	461	1,464	3,208		5,133
<i>Loan & Note Payments</i>	123		1,530		1,653
Total Sources of Funds	\$11,873	\$30,767	\$30,184	\$799	\$73,623

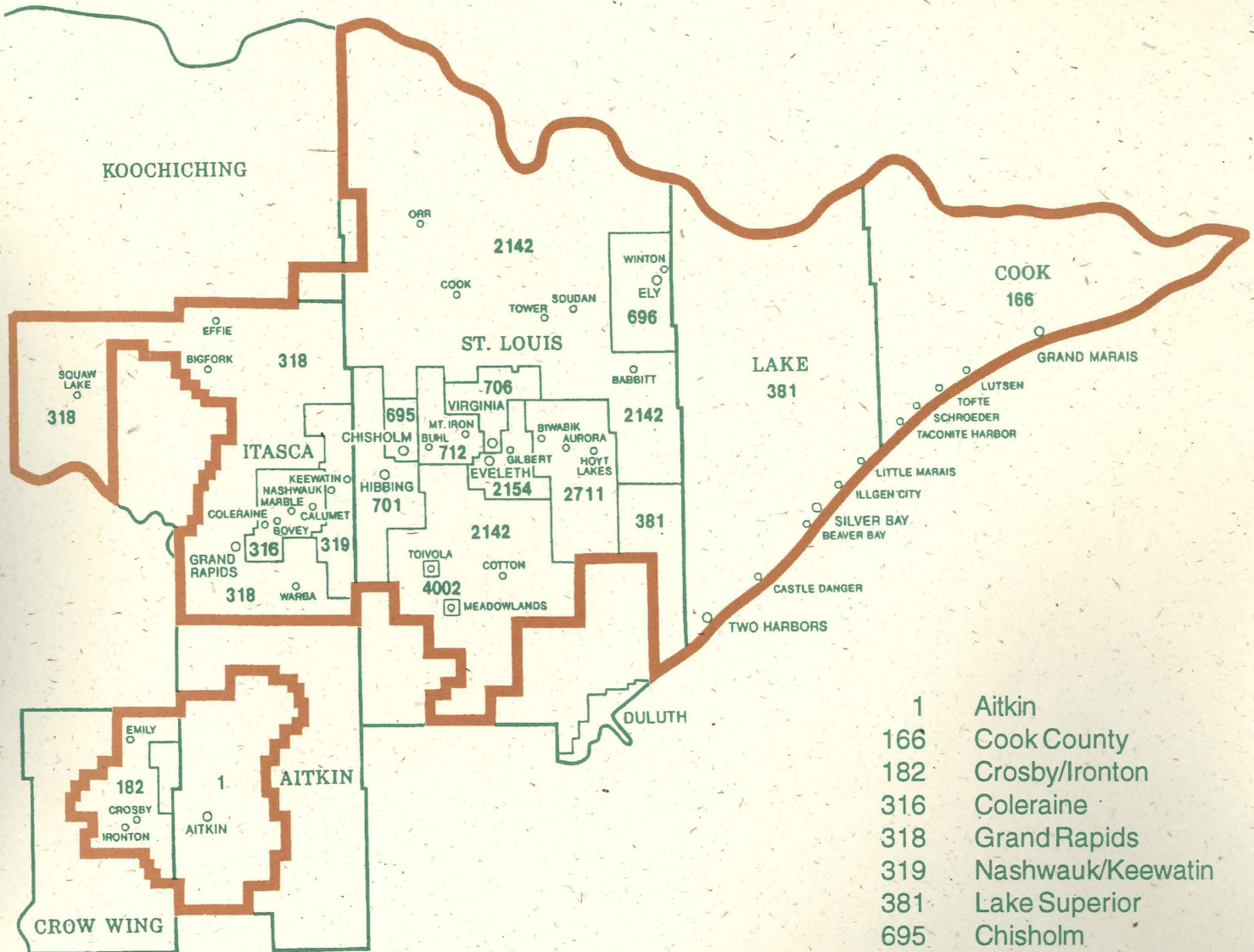
Uses of Funds	IRRR Board	TEPF	NEPF	SUPP Tax	Totals
Transfer to State General Fund					
<i>Amphitheater Loan Repayment</i>	45				45
Agency Activities					
<i>Agency Operational Costs</i>	885	801	218	14	1,918
<i>Eveleth Office Improvements</i>		73			73
Business Development and Property Management			5,010		5,010
Tourism Development					
<i>Giants Ridge</i>	1,390				1,390
<i>IRONWORLD USA</i>		2,454			2,454
<i>Research Center</i>		501			501
<i>Tourism Promotion</i>	88	49			137
<i>Trails</i>		384			384
<i>Tourism Planning and Development</i>		747			747
<i>Railroad Mesaba Junction</i>		33			33
Tourism Facility Construction					
<i>Golf Course</i>	692				692
<i>Giants Ridge</i>		44			44
Community Development					
<i>Research & Planning</i>	1,150				1,150
<i>Community Development</i>	1,810	8,096		390	10,296
<i>Mineland Reclamation</i>		1,105			1,105
<i>Building Demolition</i>			286		286
Taconite Assistance		5,950	3,700		9,650
Carry Forward	5,813	10,530	20,970	395	37,708
Total Uses of Funds	\$11,873	\$30,767	\$30,184	\$799	\$73,623

*Notes to the Financial Statement
Sources of Funds

Taxes were collected in 1993 for 1992 production.

School Districts in the Taconite Tax Relief Area*

Minnesota Statutes - 273.134



1	Aitkin
166	Cook County
182	Crosby/Ironton
316	Coleraine
318	Grand Rapids
319	Nashwauk/Keewatin
381	Lake Superior
695	Chisholm
696	Ely
701	Hibbing
706	Virginia
712	Mountain Iron/Buhl
2142	St. Louis County
2154	Eveleth/Gilbert
2711	Mesabi East
4002	Toivola/Meadowlands

*The TTRA boundaries are defined in terms of school district boundaries.



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