



# **BIENNIAL REPORT**

**Fiscal Years  
2013-2014**



**Iron Range Resources &  
Rehabilitation Board**





**To the Governor and Legislature  
of the State of Minnesota**

It is a pleasure and privilege to submit the thirty-sixth Iron Range Resources and Rehabilitation Board (IRRRB) biennial report to the Honorable Mark Dayton, Governor of the State of Minnesota, and to the Minnesota State Legislature.

In 2014, IRRRB celebrated its 74th year of promoting and investing in northeastern Minnesota’s economy. In concert with Governor Dayton’s vision to make Minnesota a better place for the next generation, we invested in business, community and workforce development for the betterment of northeastern Minnesota.

As a result of IRRRB investments, we project businesses and communities to create more than 1,735 new jobs. Our agency’s \$70.8 million in loan and grant investments generated a total project investment of \$296.5 million. And our investments in education served as a model in building the workforce of the future.

A Better IRRRB Task Force composed of citizens, business leaders, elected officials, and Next Gen members was formed and completed its task of recommending agency improvements. IRRRB staff enhanced relationships with communities, businesses and educational institutions through face-to-face outreach. And a series of Kaizen events streamlined processes within the IRRRB, improving our delivery of services to customers.

Our team also created IRRRB’s value proposition, which is our promise of value to be delivered and acknowledged. It communicates what businesses and communities experience when working with IRRRB. It’s what sets us apart. Through input from economic development partners and interviews with area businesses, we identified our region’s top strengths and discovered that northeastern Minnesota is the home of the hardest working people. Moreover, this mentality translates to IRRRB, its staff and how our agency works relentlessly to help grow business.

Behind our support for small and large businesses, communities, and innovative education, I am proud of our accomplishments and enthusiastic about a prosperous future for the citizens and economy of northeastern Minnesota.

Sincerely,  
Tony Sertich, Commissioner





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## WHO WE ARE

Iron Range Resources and Rehabilitation Board (IRRRB) is a State of Minnesota development agency located in Eveleth. IRRRB provides vital funding, including low or no-interest loans, grants and loan guarantees to businesses that relocate or expand in the region. Grants are also available to local units of government, education institutions and nonprofits that promote workforce development and sustainable communities.

## MISSION

*Promote and invest in business, community and workforce development for the betterment of northeastern Minnesota.*

## VISION

*Advance regional growth by stabilizing and enhancing the economy of northeastern Minnesota.*

## STRATEGIES

*Invest in growing businesses that create jobs.  
Prepare communities for change and growth.  
Invest in an educated workforce.*

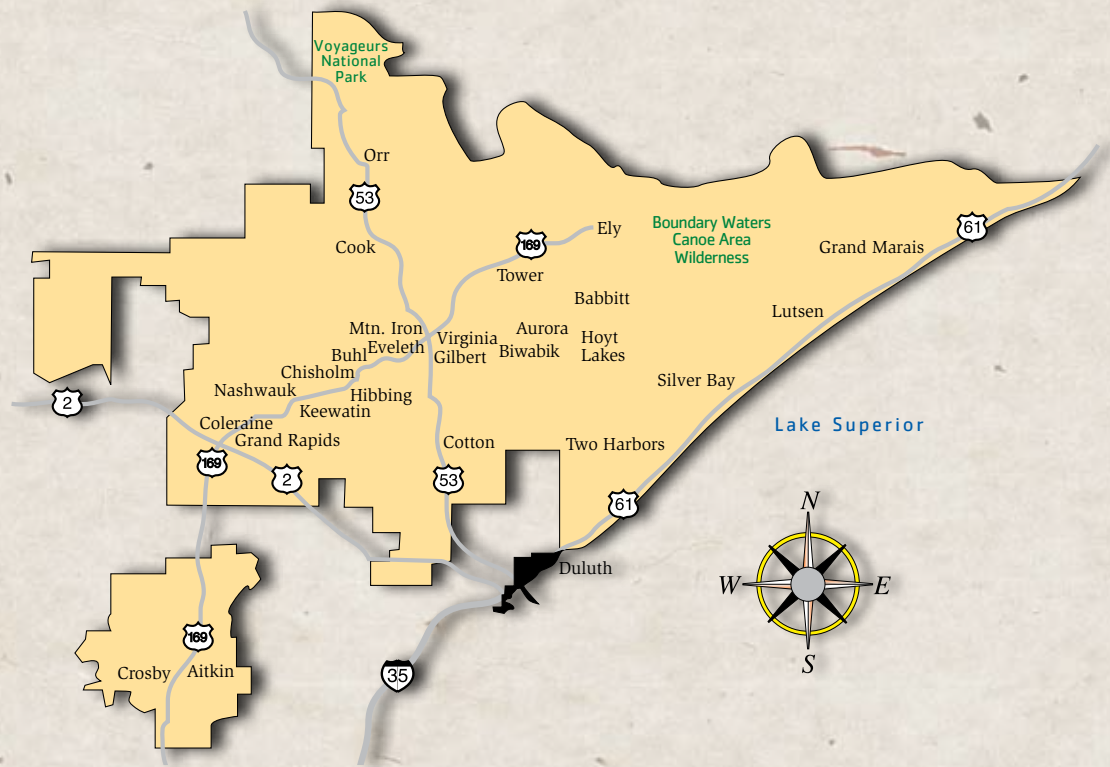


# HOW WE ARE FUNDED

IRRRB is funded by a portion of a local taconite production tax, paid by mining companies on each ton of iron ore pellets or concentrates produced. These taxes are paid in lieu of local property taxes. Unlike other state agencies, the IRRRB has an annual budget that is approved by a nine-member board.

# WHO WE SERVE

IRRRB’s service area encompasses 13,000 square miles in northeastern Minnesota; 50 cities, 129 townships, and 15 school districts. (Minnesota Statute 273.1341)







REPRESENTATIVE  
Tom Anzelc, Board Vice-Chair



SENATOR  
Tom Bakk



REPRESENTATIVE  
David Dill



REPRESENTATIVE  
Carly Melin



REPRESENTATIVE  
Jason Metsa



REPRESENTATIVE  
Joe Radinovich



SENATOR  
Tom Saxhaug



SENATOR  
Rod Skoe



SENATOR  
David Tomassoni, Board Chair

## BOARD

The Iron Range Resources and Rehabilitation Board, consists of the state senators and representatives elected from state senatorial or legislative districts in which one-third or more of the residents reside within the IRRRB service area. One additional state senator is appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration. The members are appointed in January of every odd-numbered year and serve until January of the next odd-numbered year.







## BETTER IRRRB TASK FORCE

In June 2013, Commissioner Tony Sertich formed the Better IRRRB Task Force, a 17-member advisory group charged with developing strategies for improving the IRRRB and preserving agency resources.

### Organization

To help the IRRRB evolve with the times, 13 community representatives and elected officials and four Next Gen members, all with knowledge of the local economy and IRRRB programs, were selected to serve on the task force.

### Public Input

The Better IRRRB Task Force held listening sessions across the region to receive input from the public on how the IRRRB can best protect its assets and prepare for the future. A series of task force meetings, stakeholder interviews, focus groups and online surveys were also conducted.

### Recommendations

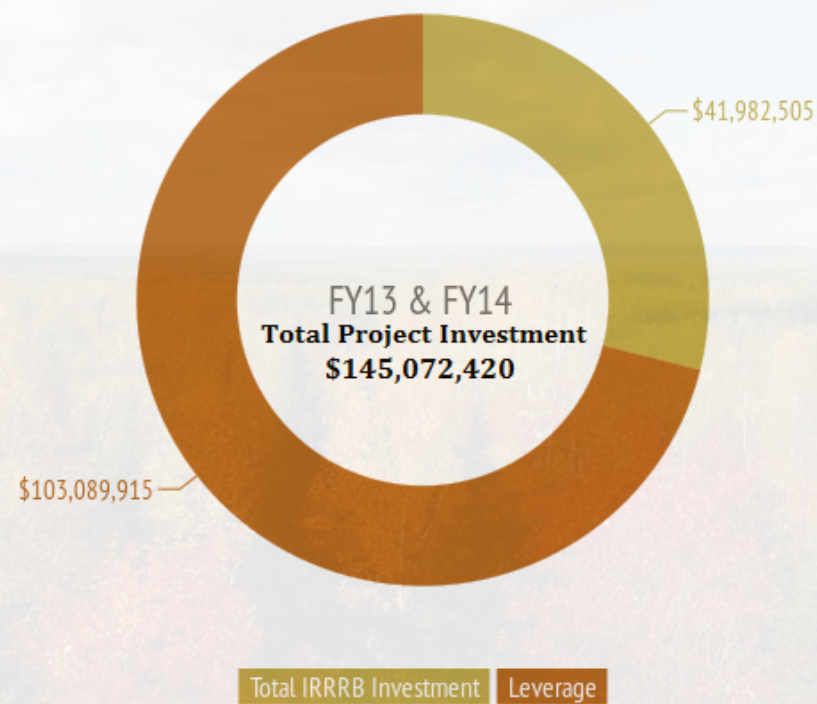
In January 2014, the Better IRRRB Task Force presented its findings to the IRRR Board. The task force recommended that the Douglas J. Johnson Economic Protection Fund, under local governance, be protected and focused on economic development and diversification.





## 595 New Jobs

During Fiscal Years 2013 and 2014, IRRRB's investment in business development projected to create 595 new jobs in northeastern Minnesota



## BUSINESS DEVELOPMENT

IRRRB's business development financing programs are among the most wide ranging and creative in the United States, with fewer restrictions than other state or federal funding options. The IRRRB works with a variety of strategic partners to invest in businesses' long-term success.

Over the past two years, the agency awarded more than \$42 million in business development loans, with a total project investment of \$145 million. These loan projects are projected to create a total of 595 new jobs.

*"IRRRB is here to help grow business."*



## DETROIT DIESEL REMANUFACTURING

The IRRR Board approved two loans totaling \$7.5 million to the Chisholm-Hibbing Airport Authority to increase the size and build-out a spec building at the airport for occupancy by Detroit Diesel Remanufacturing. The project will add 30 to 50 new jobs to Detroit Diesel Remanufacturing's workforce in Hibbing.

Detroit Diesel Remanufacturing has experienced significant growth in Hibbing since 2007. To accommodate the company's planned growth, a 30,000 square-foot expansion was constructed, adding to the building's existing 30,000 square-feet.

"The highly technical skills of our employees and our continuing cooperation with local agencies made the decision to expand on the Iron Range an easy one," said David Rhode, plant operations manager in Hibbing. "This represents the next chapter in Detroit Reman's long-term commitment to our employees and the region."

Detroit Diesel Remanufacturing's Hibbing facility remanufactures a complete line of electronic components under various brands. The company has fast become a leader in the remanufacture and manufacture of electronics. In addition to a strong foundation in the heavy duty equipment, truck, and passenger car markets, product segments also include agriculture, transit and rail applications.



August 14, 2013





## DELTA AIR LINES

Delta Air Lines' strong presence on the Iron Range grew even more under a \$5.9 million IRRRB loan that helped increase efficiencies and add 107 jobs at its high-performing customer center in Chisholm.

The IRRRB loan assisted Delta Air Lines in renovating and refurbishing the infrastructure of its reservations center, transforming the 40,000 square-foot building into a modern, state-of-the-art Customer Engagement Center.

Delta Air Lines has been a valued international partner on the Iron Range for nearly 20 years. Its customer center in Chisholm is recognized as one of the company's top facilities.

"The Iron Range Center is one of the highest performing offices in the Delta Reservations system," said Allison Ausband, vice president of Reservation Sales and Customer Care. "The Chisholm center will become the flagship model for other Delta Customer Engagement Centers, showcasing design concepts that create greater efficiencies, improve employee engagement and promote an atmosphere of high employee morale and performance."

Artist's rendering of proposed renovation.



## SEGETIS, Inc.

A new wood-based industry took shape with IRRRB's investment in development of a \$105 million Segetis, Inc. commercial-scale biochemical project at Laskin Energy Park in Hoyt Lakes. Segetis will utilize northeastern Minnesota's woody-biomass natural resources to produce high performance, sustainable materials that are used in flexible plastic products, cleaning products and a variety of consumer goods.

During initial operations, the project will create 245 construction related jobs, 140 indirect supply chain jobs and 50 direct jobs. In 2018, when the facility converts from the use of corn sugars to wood, an additional 20 direct jobs will be created along with a total of 230 indirect supply chain jobs. The project will have a \$55 million annual regional impact, including a \$3.1 million payroll.

Northeastern Minnesota has the timber resources, existing wood and forest industry supply chain, available trained workforce and land needed to support the development of a wood-based biochemical industry. Beginning in 2018, the facility will require 90,000 cords of wood per year.

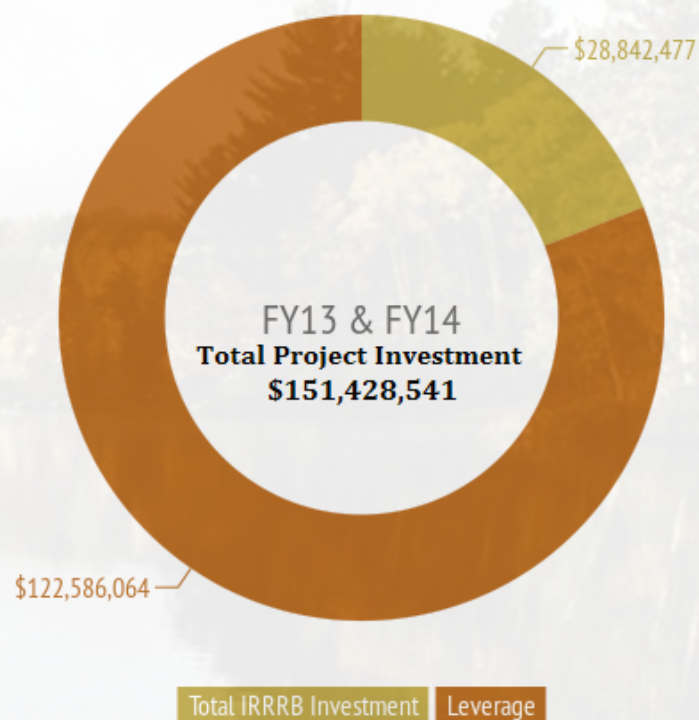
IRRRB is seeking to develop a cluster of biotechnology businesses in northeastern Minnesota and sustain natural resource-based industries. IRRRB supported development of the Segetis facility with \$21.2 million in loans.





## 1,140 New Jobs

During Fiscal Years 2013 and 2014, IRRRB's investment in community development projected to create 1,140 new jobs in northeastern Minnesota



## COMMUNITY DEVELOPMENT

IRRRB's community development team works closely with communities, local units of government and a variety of community development partners to fund public works infrastructure development projects.

The team works with communities and partners to support the replacement of aging water and sewer infrastructure. Assistance is provided to businesses and health care facilities with infrastructure grants for expansions, which helps create high-paying construction and permanent jobs. Grants are available to local units of government for the removal of dilapidated residential and commercial structures to help maintain healthy and attractive communities.

During the past two years, the agency awarded \$28.8 million in grants, with a total project investment of \$151.4 million. These grants projects are projected to create 1,140 new jobs.

*“IRRRB provides grants to local units of government and non-profit organizations in support of healthy and growing communities.”*



## SUNDELL EYE ASSOCIATES AND NORTHWOODS SURGERY CENTER

Patients on the Iron Range are being cared for in two new facilities along the shore of Bailey's Lake in Virginia — Sundell Eye Associates and Northwoods Surgery Center.

Sundell Eye Associates is a comprehensive eye care provider, offering a full range of eye care services, from exams and diagnosis, to treatment of eye diseases and conditions, cataract surgery and specialized care.

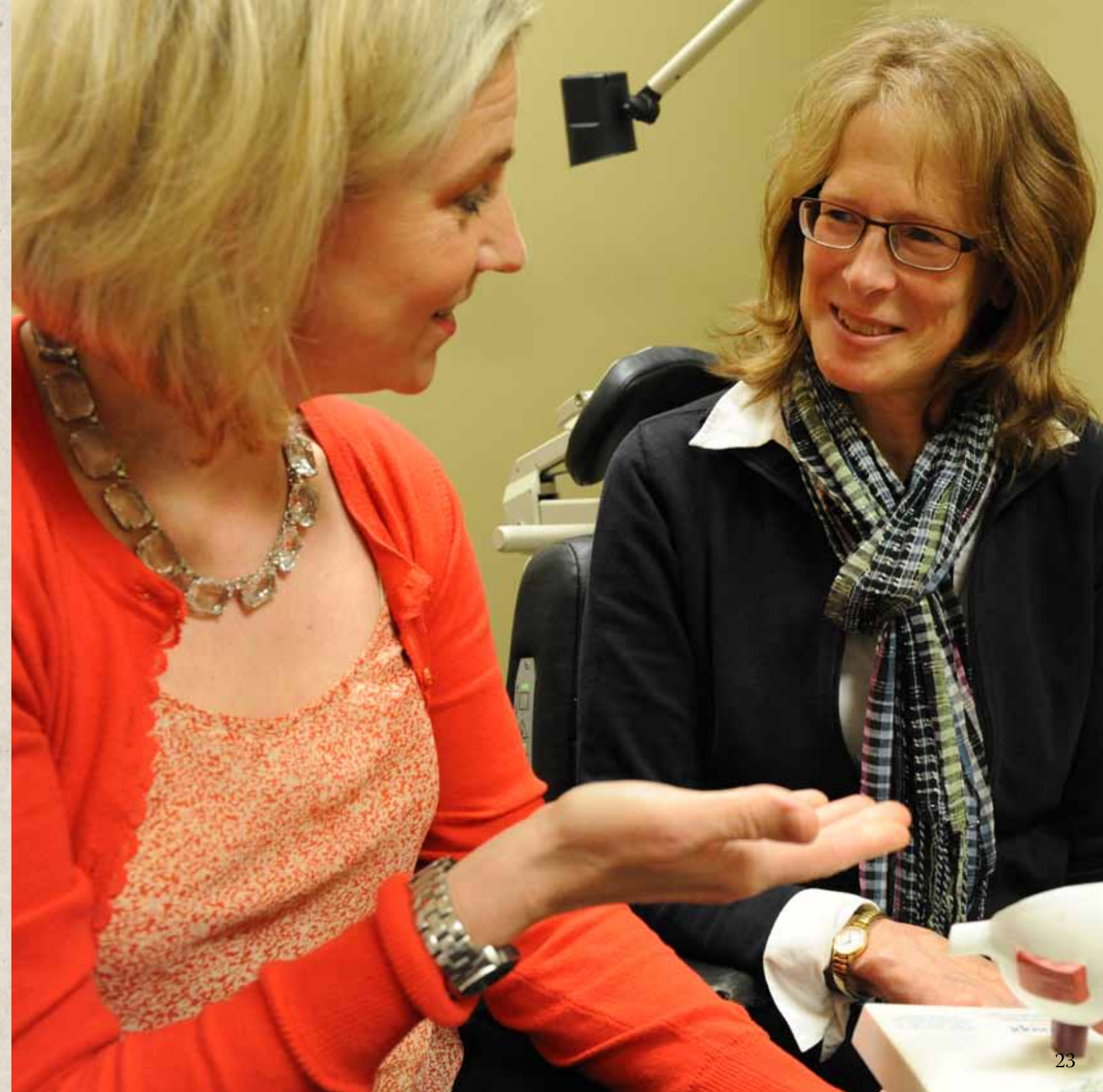
Northwoods Surgery Center, located next door to Sundell Eye Associates, is a joint venture between Fairview Range and Dr. Bridget Sundell. Surgeries being handled at the center include ophthalmology, general, ear-nose-throat and orthopedics.

With the new facilities, 12 permanent jobs and one optometrist job were created.

Sundell, owner of Sundell Eye Associates and president of Northwoods Surgery Center, said, "I'm thankful for the opportunity to meet the needs of patients in the area, both at my eye clinic and also partnering with Fairview on the outpatient surgery center. Our goal was to offer compassionate, top-notch care to local residents right here in their own community."

"We are grateful for the opportunity to work with IRRRB and the City of Virginia on these projects," said Kate Gribble, administrator for Sundell Eye Associates and board officer for Northwoods Surgery Center. "It's a great example of local entities working together to provide exceptional services and resources for our community."

IRRRB supported construction of the new facilities with nearly \$500,000 in grants to the city of Virginia for infrastructure and site work. The total project investment in the new medical facilities was \$5.6 million.







## PROBLAST TECHNOLOGY, INC.

ProBlast Technology, Inc. serves the needs of industrial plants, original equipment manufacturers (OEM), fabrication shops, mining companies, loggers and contractors in a new 22,000 square-foot facility in Keewatin.

The company offers abrasive blasting, painting, coatings, polyurea application and spray foam application. ProBlast Technology handles jobs as small as automotive rims to large 240-ton haul trucks.

ProBlast Technology started in 1986 as a one-man, seasonal side business in Pengilly. Its new facility in Keewatin was built on five acres and utilizes the best quality, environmentally-safe products.

IRRRB provided a \$285,000 grant to the City of Keewatin to extend infrastructure to the new facility. The project created eight new jobs.



## RESIDENTIAL REDEVELOPMENT

The IRRRB Residential Redevelopment Program provides grants to communities to assist with the demolition and removal of dilapidated residential structures. Most of the structures demolished and removed under the program over the biennium were single-family homes. The program helps create a cleaner, healthier environment, more attractive communities, and allows for new construction. In addition to single-family homes, duplexes of no more than two units, garages and accessory structures are also demolished and removed.

## COMMERCIAL REDEVELOPMENT

The IRRRB Commercial Redevelopment Program provides grants to cities, townships, counties, collaborative organizations, and commissions to assist with the demolition of dilapidated commercial or industrial buildings and the cleanup of brownfields.

The Commercial Redevelopment Program enables new development, assists in attracting new investment, and broadens the local tax base. The program also helps mitigate health and safety concerns, removes slum and blight, and aligns with community comprehensive plans.







## WORKFORCE DEVELOPMENT

The economic success of a region depends on the quality of its workforce.

IRRRB, through its collaboration with education partners, is helping to meet the workforce needs of businesses to find, hire and train new employees.

IRRRB's Workforce Development program partners directly with the five Northeast Higher Education District (NHED) colleges, the region's secondary schools, businesses and industry. The partnership creates and offers innovative education programs tailored specifically to meet the needs of existing and emerging industry.

By working collaboratively, IRRRB Workforce Development is helping cultivate a comprehensive regional strategy aimed at creating, retaining and sustaining an educated, well-trained workforce.

### Applied Learning Institute

Every year, more than 1,400 students in 17 northeastern Minnesota school districts are receiving hands-on, leading edge training in Applied Learning Institute (ALI) educational programs that "ladder" directly into NHED college programming.

IRRRB is a sponsoring partner of ALI. The program focuses on providing the technology and tools to create highly-trained, knowledgeable workers who are equipped with the technical and problem-solving skills sought by employers. Students have constructed a variety of projects including Habitat for Humanity homes, high-mileage cars, solar-powered boats and hovercraft.

ALI's collaboration with secondary schools, colleges and industry helps students learn on the newest available equipment, software and hardware. Programs include Transportation, Construction Trades, Healthcare, Industrial Technology, Pre-Engineering, and Technical Math.

***"IRRRB is helping northeastern Minnesota train and retain the workers of tomorrow."***



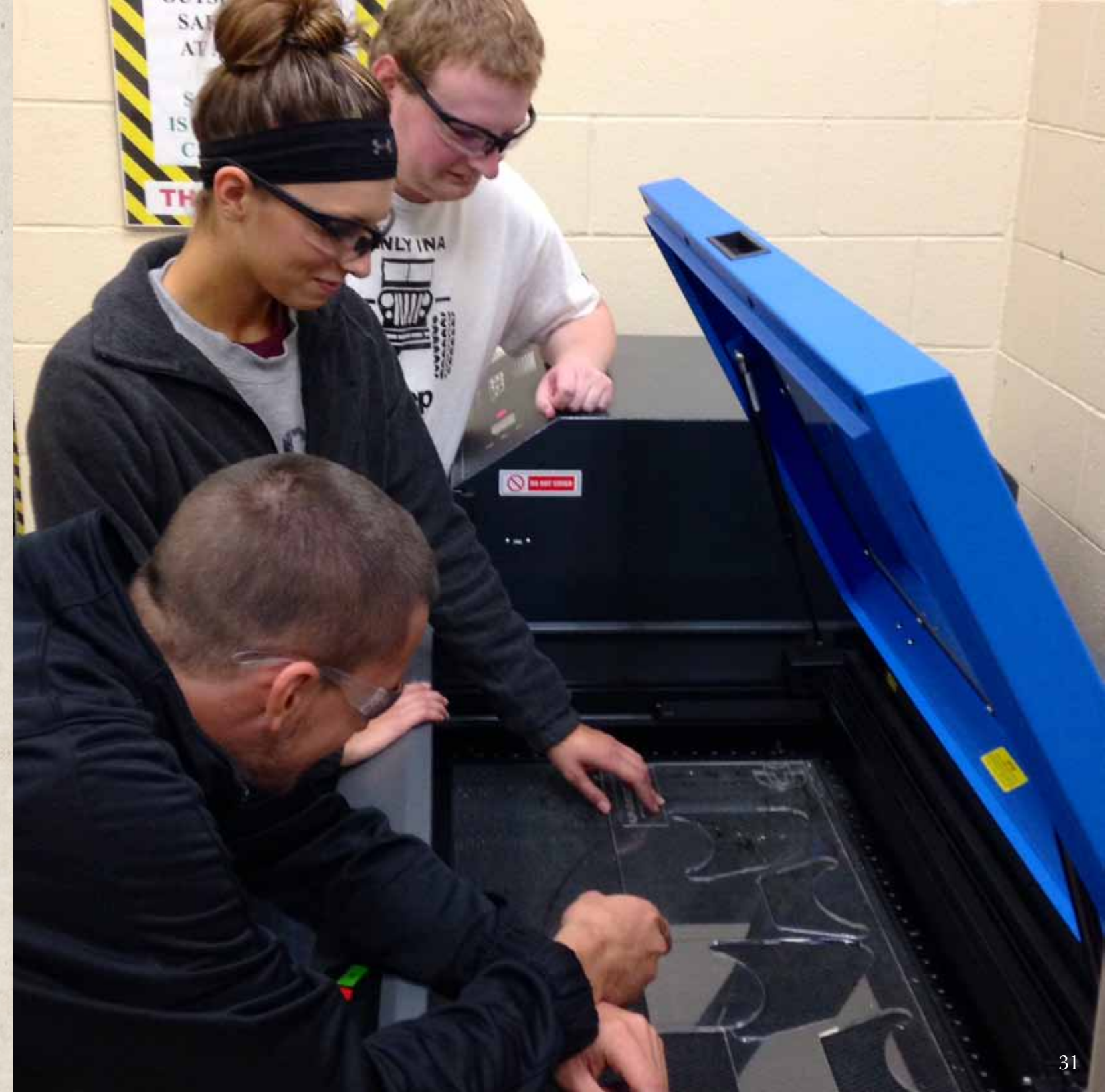
## IRON RANGE ENGINEERING

In April 2013, Iron Range Engineering (IRE) opened its new 11,000 square-foot Tom Rukavina Engineering Center on the campus of Mesabi Range College in Virginia. The center features 4,000 square-feet of laboratory space and 7,000 square-feet of classrooms.

IRE is a project-based model for learning in which students work with local industries on projects. Students who have successfully completed their first two years of engineering, are able to complete their third and fourth years on the Iron Range.

“Iron Range Engineering has developed over the past four years into a nationally and internationally recognized center for engineering education,” said Ron Ulseth, Iron Range Engineering co-director. “Our regional partners have donated hundreds of hours to assist in the development of future engineers and have provided real industry projects for our students to work on. The overall, high level success of IRE today is due to synergy created by our students, industry partners, elected officials, IRRRB, our educational leaders and our on-the-ground teaching faculty.”

Sixty students were enrolled in Iron Range Engineering in 2014.







## IRON RANGE NURSING

With support from IRRRB, nursing students on the Iron Range can now complete their advanced nursing degrees at home.

Iron Range Nursing is an expansion of three Minnesota State University, Mankato (MSU) School of Nursing programs in collaboration with Hibbing Community College and healthcare partners.

The MSU Iron Range Nursing Program is a new nursing model for rural communities and healthcare providers, offering students a convenient method of earning their nursing degree at home. For graduates, it opens up new nursing opportunities in hospitals, clinics, trauma centers and public health.

The program began in February 2014 by offering courses in a registered nurse (RN) baccalaureate completion program, which allows registered nurses to complete a bachelor of science degree in nursing. Students who have completed general education requirements are able to complete their degree online and via High Definition Interactive Television (HD-IT) in as few as three semesters.

Beginning in the fall of 2014, a master's degree family nurse practitioner program and doctor of nursing practice degree program also became available through online and HD-IT delivery.



# GIANTS RIDGE

Already recognized as a top Minnesota family recreation destination, a major improvement is underway at Giants Ridge. Construction of a new \$9.9 million event center advanced with support from the state legislature. The center will provide energy-efficient, modern facilities for ski services, banquet, meeting and conference space, winter and summer rentals and additional recreation activities.

Owned by IRRRB and located in Biwabik, Giants Ridge operates two award-winning 18-hole championship golf courses, a snow sports area boasting 35 alpine runs, two terrain parks, a snow tubing park and more than 60 miles of groomed cross country ski trails. Situated near beautiful Wynne Lake, Giants Ridge also offers access to water sports and the nearby Mesabi Trail, a 115-mile paved bike trail that winds through 25 Iron Range communities.

In 2014, *Golf Digest* ranked the Quarry Minnesota’s No. 1 public golf course and the Legend No. 4.



Artist's rendering of proposed Event Center.



Aerial photo: CAVU, Vimeo.com/CAVU; Snowboarder: Paul Pluskwik.





# APPENDICES

## AGENCY BUDGET

**Resources**

Carryforward In

**Current Resources**

- Taconite Production Taxes
- Investment Earnings
- Loan Revenues
- Facilities Revenues
- Occupation Tax Region III

**Subtotal Current Resources**

**Total Resources**

**Estimated Expenditures**

**Projects**

- Development Projects
- Public Works

**Total Projects**

**Programs**

- Program Grants
- Occupation Tax Region III

**Total Programs**

**Giants Ridge Golf & Ski Resort**

**Operations & Development Fixed Costs**

**Giants Ridge Bond Redemption Repayment**

**Total FY Budget**

**Estimated Carryforward Out**

FY 2013 BUDGET	FY 2014 BUDGET
\$16,169,941	\$12,511,670
\$13,770,626	\$21,384,480
494,116	494,116
2,574,849	2,552,311
5,123,404	4,806,250
455,767	574,655
\$22,418,762	\$29,811,812
\$38,588,703	\$42,323,482
7,500,000	12,447,000
9,400,000	7,025,000
\$16,900,000	\$19,472,000
4,206,572	5,631,572
455,767	574,655
\$4,662,339	\$6,206,227
\$7,270,234	\$7,996,901
\$5,813,757	\$5,993,888
\$0	\$2,000,000
\$34,646,330	\$41,669,016
\$3,942,373	\$654,466



GRANTS			FY13 GRANTS - CONTINUED		
FY13 GRANTS					
ORGANIZATION - DESCRIPTION	IRRRB INVESTMENT	TOTAL PROJECT INVESTMENT	ORGANIZATION - DESCRIPTION	IRRRB INVESTMENT	TOTAL PROJECT INVESTMENT
Arrowhead Economic Opportunity Agency (AEOA) – Business Energy Retrofit program	250,000	750,000	Ely – demolish a house	4,575	13,000
Arrowhead Economic Opportunity Agency (AEOA) – Neighborhood Revitalization program	500,000	1,500,000	Ely Chamber of Commerce – restore Whiteside Park log structure	12,500	40,000
Arrowhead Economic Opportunity Agency (AEOA) – addition to Arrowhead Transit facility	50,000	255,000	Embarrass – demolish a garage	6,450	8,985
Aurora – infrastructure to North 1st Street and East Central Avenue	250,000	554,000	Eveleth – infrastructure and site work for expansion of Aqua Power, Inc.	250,000	306,637
Aurora – demolish 3 houses and a garage	13,294	31,350	Eveleth – infrastructure on Jones Street	250,000	2,855,773
Babbitt – infrastructure for hotel and conference center	300,000	2,075,800	Friends of Sax-Zim Bog – construct Visitor Center	12,500	72,000
Bigfork – improvements to water treatment and distribution system	250,000	892,800	Giants Ridge – Ski Patrol emergency first-aid supplies	5,900	5,900
Bigfork Valley Hospital – infrastructure for expansion of a memory care center	250,000	4,012,850	Gilbert – infrastructure on Circle Drive and Alaska Avenue	180,000	296,000
Biwabik – infrastructure on 2nd Street	250,000	615,000	Gilbert – infrastructure on Minnesota and Michigan Streets	250,000	504,000
Bois Forte – infrastructure for medical/dental clinic on Lake Vermilion	300,000	4,975,000	Gilbert – upgrade transformer at Nelle Shean Elementary School	19,926	19,926
Bovey – infrastructure for expansion of KMDA, Inc.	100,000	441,900	Grand Rapids – demolish school, parochial school and rectory	41,000	41,000
Buhl – infrastructure on Jones Avenue and State Street	250,000	400,000	Grand Rapids – improve entrance to Itasca Community College	250,000	5,591,939
Calumet – infrastructure on 3rd and 4th Avenue	150,000	300,345	Grand Rapids – infrastructure and site work for expansion of Cutsforth, Inc.	150,000	w/loan
Calumet – demolish 2 houses and a garage	10,842	15,581	Grand Rapids – infrastructure, site work for relocation & expansion of Hammerlund Const.	350,000	2,670,000
Chisholm – extend waterline to Minnesota Discovery Center and St. Louis Co. Fairgrounds	20,000	20,000	Grand Rapids Amateur Hockey Association – produce & promote Hockey Day Minnesota 2013	5,000	90,000
Chisholm – infrastructure and site work on 6th Street East	190,000	3,962,500	Grand Rapids Showboat – capital repairs to the showboat	3,000	6,000
Chisholm – demolish 3 houses and 6 garages	21,605	33,135	Greyhound Bus Origin Center – Freedom Riders exhibit	5,000	14,000
Chisholm – infrastructure on 7th to 9th Street on Central Drive	250,000	750,000	Hibbing – infrastructure for Highway 169 development	350,000	2,950,000
Cohasset – improvements to lift station and water main on Highway 2	200,000	504,700	Hibbing – infrastructure for Brooklyn area	250,000	857,000
Coleraine – infrastructure on Powell Avenue	70,000	450,000	Hibbing – demolish 5 houses	27,894	69,630
Coleraine – demolish a house and a garage	7,970	15,877	Hibbing – demolish 7 houses and 2 garages	26,707	46,458
Cook – demolish old wastewater plant	33,000	54,610	Hoyt Lakes – remodel and expand emergency service facility	350,000	1,650,800
Cook – improvements to wastewater treatment pond	150,000	288,000	Iron Range Tourism Bureau – produce regional video	10,000	20,500
Cook – demolish 2 houses and 2 garages	12,133	17,050	Ironworld Development Corporation – operating expenses and capital improvements	1,174,511	1,174,511
Cook County – demolish west wing of Cook County School	103,000	9,971,141	Itasca Community College – demolish Donovan Hall dormitory	180,000	4,809,000
Cook County – EDA emergency business fund	26,000	26,000	Itasca County Historical Society – preserve artifacts and restore exhibit	20,000	300,000
Cook County Visitors Bureau – produce videos for website	16,500	40,000	Itasca Ski and Outing – repair grooming machine	40,000	45,000
Crosby – flood prevention at Graphics Packaging	150,000	300,013	Keewatin – infrastructure and site work for expansion of Pro Blast Technology, Inc.	285,000	2,937,550
Destination Voyageurs National Park – upgrade website and purchase ads	5,000	10,000	Keewatin – demolish 3 houses and 2 garages	9,090	16,840
Dorothy Molter Museum – reinstall Point Cabin exhibit	5,000	10,000	Lake Superior-Poplar River Water District – water line to Lutsen Mountain	250,000	4,874,371
East Range Joint Powers Board – sulfate reducing bioreactor research study	124,943	369,500	Lake Vermilion Resort Association – Lake Vermilion Trail feasibility study	15,000	45,000
Ely – demolish county garage	11,143	1,170,000	LaPrairie – infrastructure and road reconstruction for Highway 169	250,000	605,664
Ely – infrastructure on 1st and 8th Avenue and Harvey Street	200,000	1,508,500	LaPrairie – infrastructure to Brokings Transport site	55,000	329,000
			Lutsen Township – capital improvements at Superior National Golf Course	300,000	4,600,000



**FY13 GRANTS - CONTINUED**

<b>ORGANIZATION - DESCRIPTION</b>	<b>IRRRB INVESTMENT</b>	<b>TOTAL PROJECT INVESTMENT</b>
McDavitt Township – demolish a garage and a shed	3,080	4,107
Mesabi Family YMCA – replace pool HVAC	50,000	97,447
Minnesota Arrowhead Association – regional online marketing project	20,000	55,000
Minnesota Highway 38 Leadership Board – preserve CCC cabin in Marcell	13,000	164,064
Mountain Iron – infrastructure to expand Unity addition	250,000	600,000
Mountain Iron – demolish a house and 2 garages	6,948	20,877
Mountain Iron – site work for MRI unit at St. Lukes Clinic	80,000	1,281,103
Nashwauk – infrastructure on 2nd and 3rd Street and York and Platt Avenues	200,000	582,000
Northeast Higher Education District – Arrowhead Institute of Technology	390,000	390,000
Northeast Higher Education District – DeCare Training	15,100	42,868
Northeast Higher Education District – DMR/Detroit Diesel Training	42,000	42,000
Northeast Higher Education District – Iron Range Engineering	1,000,000	1,000,000
Northeast Higher Education District – Telepresence Technology Phase I	500,000	500,000
Northspan Group – NorthlandConnection.com website	30,000	145,000
Orr – design project for comprehensive plan	3,500	15,000
Orr – infrastructure and site work for assisted living facility	50,000	2,600,000
Quad Cities - University of Minnesota – Small Business Development Center	60,000	120,000
Range Assn. of Municipalities & Schools – development of regional integrated learning model	181,520	1,803,250
Riverton – city-wide infrastructure	150,000	330,000
Silver Bay – capital improvements to Victus Farm building	50,000	65,000
Taconite – infrastructure on Nelson Street	100,000	204,000
Tower – infrastructure on Main Street	170,000	1,145,000
Two Harbors – construction of airport building	300,000	800,000
United Way of Northeastern Minnesota – daycare assessment by Wilder Foundation	10,000	61,320
University of Minnesota – Precambrian Research Center education/outreach program	25,000	61,800
University of Minnesota – Peter Mitchell Mine closure plan	75,000	254,100
US of Anderson LLC – film production	45,000	226,971
Virginia – infrastructure and site work for expansion of Sundell Eye Associates	141,689	2,354,000
Virginia – infrastructure and site work on 4th Street North	350,000	761,000
Virginia – demolish 4 houses and 3 garages	25,264	72,358
Virginia Area Historical Society – “The Way We Worked” Smithsonian exhibit	2,500	5,625
White Township – infrastructure extension from 1st Street to Poplar Street	175,000	255,520
Wild North Golf – market and promote the region as a golf destination	30,000	45,000
<b>Total</b>	<b>\$14,454,084</b>	<b>\$90,291,546</b>

**FY14 GRANTS**

<b>ORGANIZATION - DESCRIPTION</b>	<b>IRRRB INVESTMENT</b>	<b>TOTAL PROJECT INVESTMENT</b>
Advocates for Family Peace – expand domestic violence services	50,000	50,000
Aitkin – demolish former Riverwood Healthcare Center Clinic	38,115	38,115
Aitkin – demolish 3 buildings	10,115	*
Aitkin – comprehensive plan	16,825	33,650
Aitkin – infrastructure for business development expansion	300,000	3,232,200
Aitkin – demolish a garage	1,893	3,733
APEX – Northforce.org online marketing plan	16,000	74,000
Arrowhead Economic Opportunity Agency (AEOA) – Business Energy Retrofit program	500,000	1,500,000
Arrowhead Economic Opportunity Agency (AEOA) – Home Energy Improvement program	500,000	1,500,000
Aurora – infrastructure and site work for assisted living facility	350,000	5,588,547
Aurora – demolish 3 houses and a garage	15,531	49,010
Babbitt – demolish former Bryant Center	200,000	623,108
Babbitt – demolish and remove concrete slab	23,200	23,200
Babbitt – comprehensive plan	4,757	9,513
Babbitt – infrastructure and site work for hotel and conference center Phase II	150,000	2,502,456
Balsam – site work for emergency services facility	200,000	700,000
Bigfork – upgrade well and city water treatment	50,000	50,000
Biwabik – infrastructure on 2nd Street North Phase II	150,000	447,250
Bois Forte Band of Chippewa – infrastructure and site work for duplex housing units	100,000	2,358,000
Bois Forte Band of Chippewa – demolish 4 houses	13,392	13,392
Bovey – comprehensive plan	3,275	6,550
Breitung – replace sanitary sewer lines on Main Street	115,000	365,000
Buhl – comprehensive plan	6,000	12,000
Buhl – infrastructure on Frantz Avenue South	190,000	460,000
Calumet/Marble/Greenway – infrastructure and site work for new emergency services facility	350,000	798,000
Chisholm – resolve highway and land issues for Hibbing Taconite expansion	100,000	149,400
Chisholm – infrastructure on 3rd Avenue Northeast	225,000	967,733
Chisholm – infrastructure on 5th Avenue Northwest	200,000	627,000
Chisholm – demolish 13 houses and 5 garages	89,544	89,544
Clinton – demolish 2 houses and a garage	21,825	33,318
Club Mesabi – promote and advertise the Mesabi Trail	20,000	40,000
Cohasset – infrastructure for development	12,500	1,173,500
Cohasset – infrastructure for development on Hwy 2 corridor	31,000	562,000



**FY14 GRANTS - CONTINUED**

<b>ORGANIZATION - DESCRIPTION</b>	<b>IRRRB INVESTMENT</b>	<b>TOTAL PROJECT INVESTMENT</b>
Cohasset – demolish laundromat building	13,000	19,500
Cohasset – demolish commercial building and underground tanks	40,000	95,000
Coleraine – comprehensive plan	4,680	9,360
Coleraine – deceleration lane for Highway 169 near Midway Pit Road	50,000	81,760
Coleraine/Bovey – infrastructure and site work for emergency services facility	450,000	1,000,000
Cook – demolish Dollar Barn building	46,000	66,450
Cook – comprehensive plan	10,000	20,000
Cook County Higher Education – Superior Innovations Project	50,000	150,000
Cook County Historical Society – stabilize historic Bally Blacksmith Shop	20,000	40,000
Crosby – comprehensive plan	9,750	19,500
Deerwood – comprehensive plan	9,550	19,100
Deerwood – water main reconstruction on Cross Drive	175,000	600,000
East Range Joint Powers Board – economic development programs	60,000	120,000
East Range Joint Powers Board – sulfate reducing bioreactor research study Phase II	70,000	390,000
Ely – infrastructure on 1st Avenue East and Conan and White Street alley	150,000	667,000
Ely – demolish 2 houses and a garage	14,025	34,434
Embarrass – capital improvements at Timber Hall	14,500	14,843
Engesser, John – evaluate Density Media Separation process	5,000	5,000
Enterprise Minnesota – manufacturing and marketing services	50,000	200,000
Eveleth – demolish Sleeve’s Sportsmans bar	20,000	23,783
Eveleth – infrastructure for assisted living facility	350,000	4,471,040
Eveleth – demolish a house and 4 garages	11,226	11,226
Eveleth – improve United Taconite Spruce Stockpile and truck shop embankment	98,000	158,285
Eveleth – upgrade water and sewer and road reconstruction	250,000	513,757
Farm Island – demolish a garage	4,455	4,455
Fayal – connect city sewer to IRRRB Administration building	212,094	212,094
Fayal – replace culvert on Pleasant Drive	35,000	35,424
Fayal – demolish a house	6,750	21,085
Friends of B’Nai Abraham Synagogue – capital improvements	8,481	16,962
Gilbert – electrical upgrades to water plant and infrastructure on four avenues	175,000	1,029,400
Gilbert – infrastructure and site work for expansion of Mesabi Bituminous	250,000	667,300
Gilbert – demolish 3 houses and a garage	18,213	32,450
Grand Rapids – infrastructure and site work for Grand Itasca Clinic	400,000	4,942,380
Grand Rapids – comprehensive plan	20,000	85,575

**FY14 GRANTS - CONTINUED**

<b>ORGANIZATION - DESCRIPTION</b>	<b>IRRRB INVESTMENT</b>	<b>TOTAL PROJECT INVESTMENT</b>
Gunflint Trail Historical Society – construct Interpretive Center	20,000	250,000
Hibbing – construct Miracle League baseball field	50,000	330,000
Hibbing – infrastructure for Highway 169 development Phase II	600,000	**
Hibbing – demolish 2 houses, 2 garage apartments and a garage	16,519	24,390
Hibbing – demolish 3 houses	10,760	24,410
Hoyt Lakes – replace four intersections and upgrades to Dorchester Drive Lift Station	150,000	557,887
International Wolf Center – promote Aurora Borealis exhibit	5,780	11,560
Ironton – comprehensive plan	8,000	16,000
Ironworld Development Corporation – operating expenses and capital improvements	1,321,572	1,321,572
ISD 319 Nashwauk Keewatin – demolish school bus garage	20,000	29,800
Itasca Choral Society – present and broadcast Veterans concert	3,375	8,600
Itasca County – comprehensive plan	20,000	49,450
Keewatin – comprehensive plan	3,275	6,550
Keewatin – upgrade electric substation	200,000	250,000
Keewatin – water line on 2nd Avenue East to 3rd Avenue East	70,000	90,275
Kinney – upgrade water reservoir tank	25,000	27,500
Lake County – infrastructure for expansion of existing business	90,000	1,287,000
LaPrairie – comprehensive plan	5,000	10,000
LaPrairie – extend sewer on LaPrairie Avenue, Glenwood Avenue and Northland Street	150,000	3,782,500
Luna, Judith – film production	860	10,500
Lutsen Trail Breakers Snowmobile Club – replace bridge	12,000	25,000
Marble – demolish old city hall, library and fire hall	93,763	142,065
Marble – demolish 3 houses and a garage	14,436	38,285
Minnesota Logger Education Program – erosion control training	11,000	40,250
Minnesota Power – wood fiber study	15,000	75,000
Mountain Iron – comprehensive plan	18,000	36,000
Mountain Iron – reconstruction of Mountain Iron Drive	250,000	650,000
Mountain Iron – demolish 4 houses and a garage	30,952	46,956
Nashwauk – demolish Spur gas station	11,000	17,275
Nashwauk – infrastructure on Fourth Street and Platt Avenue	175,000	508,000
Nashwauk – demolish 2 houses and a garage	8,976	12,075
Northeast Higher Education District – Certified Nurse Practioner	350,000	350,000
Northeast Higher Education District – Customer Service Training	23,800	67,480
Northeast Higher Education District – Healthcare Simulation Training	41,000	164,100



FY14 GRANTS - CONTINUED

ORGANIZATION - DESCRIPTION	IRRRB INVESTMENT	TOTAL PROJECT INVESTMENT
Northeast Higher Education District – Iron Range Engineering	35,000	35,000
Northeast Higher Education District – Iron Range Engineering	1,000,000	1,000,000
Northeast Higher Education District – Telepresence Technology Phase II	500,000	500,000
Northern Community Radio – develop Iron Range based Great Northern Radio Show	9,430	18,860
Northern Lights Nordic Ski Club – purchase groomer	12,400	24,900
North Shore Scenic Drive Council – support tourism and enhance accessible recreation	5,000	20,000
Northspan Group – Northlandconnection.com website	20,000	122,625
Northspan Group – TRP Data Management Tool	17,933	35,865
Northwoods Outfitters, LLC – film production	13,177	195,880
Quad Cities - University of Minnesota – Small Business Development Center	60,000	120,000
Range Association of Municipalities and Schools – Better IRRRB Task Force	55,954	55,954
Silver Bay – replace water main and upgrade booster station	150,000	750,000
Strangers LLC – film production	4,000	126,871
Taconite – upgrade sewer lines on Stephen Street South and alleys	90,000	291,127
Tofte – infrastructure for housing units	230,000	1,757,500
Tower Soudan Historical Society – capital improvements to train cars	16,000	34,200
Tower – demolish a house	3,657	4,260
Two Harbors – infrastructure for retail and manufacturing facility	276,500	1,361,550
Two Harbors Area Chamber of Commerce – capital improvements at RJ Houle Center	13,000	26,000
Virginia – infrastructure for surgery building on Bailey’s Lake	350,000	3,250,000
Virginia – infrastructure for expansion of existing business	250,000	700,000
Virginia – demolish a house	8,562	8,562
Virginia – demolish 3 houses and 2 garages	24,870	24,870
Virginia – demolish 5 houses and a shed	29,709	29,709
White – infrastructure in Gardendale area	150,000	330,400
Wild North Golf – market and promote the region as a golf destination	33,437	45,000
Wolf Ridge Environmental Learning Center – capital improvements at farm	50,000	150,000
Total	\$14,388,393	\$61,136,995

\*Total project investment included with FY14 Aitkin grant - infrastructure for business development expansion.

\*\*Total project investment included with FY13 Hibbing grant - infrastructure for Highway 169 development.

LOANS

FY13 LOANS

ORGANIZATION - DESCRIPTION	TYPE	IRRRB INVESTMENT	TOTAL PROJECT INVESTMENT
Airmark, Inc. DBA Nelson Wood Shims – expansion	Bank Participation	305,550	679,000
Amptek, Inc. – working capital	Loan Guaranty	37,500	50,000
Aqua Power, Inc. – renovations and expansion	Bank Participation	250,000	777,000
Atrium Restaurant – capital improvements	Loan Guaranty	11,250	15,000
Aysta Water, Inc. – purchase equipment	Loan Guaranty	22,500	30,000
Cherish, LLC – working capital	Loan Guaranty	22,500	30,000
Chisholm-Hibbing Airport Authority – DMR-Detroit Diesel build out of spec building	Non-recourse Direct	2,500,000	2,735,000
Ciao of Side Lake, Inc. – working capital	Loan Guaranty	41,962	55,950
Cutsforth, Inc. – construct new facility	Bank Participation	305,422	2,050,000
David A Olson Logging – working capital	Loan Guaranty	18,750	25,000
Furin & Shea Welding & Fabricating, Inc. – purchase machinery	Bank Participation	113,000	226,000
JPJ Engineering, Inc. – working capital	Loan Guaranty	75,000	150,000
KMDA, Inc. – purchase inventory	Loan Guaranty	75,000	100,000
Lenci Enterprises, Inc. – working capital	Loan Guaranty	72,000	175,000
Louisiana Pacific Corporation – expansion and rebuild machinery	Direct	2,000,000	7,050,000
Lutsen Mountains Corporation – purchase and upgrade equipment	Bank Participation	450,000	900,000
Northshore Manufacturing – purchase equipment	Bank Participation	500,000	5,450,000
Parrk Paving, Inc. – working capital	Loan Guaranty	45,030	60,040
Premier Plastics, Inc. – purchase equipment	Loan Guaranty	75,000	114,960
Pure Driven, LLC – working capital	Loan Guaranty	75,000	100,000
Range Tool Company, LLC – purchase equipment	Bank Participation	125,938	282,640
Ryan’s Rustic Railings & Furniture – purchase inventory	Loan Guaranty	30,000	40,000
Sullivan Candy & Supply – purchase equipment	Loan Guaranty	9,000	12,000
Tek-Car Metal, LLC – working capital	Loan Guaranty	75,000	100,000
Virginia/Eveleth Economic Development Authority – Premier Plastics expansion in Progress Park	Direct	59,980	310,000
Total		\$7,295,382	\$21,517,590



FY14 LOANS

ORGANIZATION - DESCRIPTION	TYPE	IRRRB INVESTMENT	TOTAL PROJECT INVESTMENT
City of Biwabik – Laurentian Monument expansion	Non-recourse Direct	1,940,000	2,840,000
Cast Corporation – foundry line expansion	Bank Participation	945,000	3,500,000
Chisholm-Hibbing Airport Authority – DMR-Detroit Diesel buildout of spec building	Direct	5,035,000	5,035,000
Delta Air Lines – renovation and modernization	Direct Loan	5,900,000	5,900,000
Derek L. Gustafson, DDS, PA – working capital	Loan Guaranty	63,750	85,000
Gateway Store – capital improvements	Loan Guaranty	56,123	74,830
Guyer’s Corner Store – rebuild store	Loan Guaranty	75,000	150,000
Hibbing Fabricators – purchase equipment	Bank Participation	250,000	500,000
Hoyt Lakes – purchase and renovate Segetis building	Non-recourse Direct	1,200,000	***
MnStar Technologies – working capital	Loan Guaranty	75,000	100,000
NK-G Transportation – working capital	Loan Guaranty	48,750	65,000
Segetis – construct commercial scale bio-chemical plant	Direct	20,000,000	105,100,000
Silver Lake Floral – capital improvements	Loan Guaranty	13,500	18,000
Spectrum Community Health – purchase equipment	Loan Guaranty	75,000	100,000
Three Families Brewing, LLC – purchase real estate and equipment	Bank Participation	450,000	1,650,000
Two Harbors Machine Shop – expansion	Bank Participation	500,000	1,277,000
	Total	\$34,687,123	\$123,554,830

\*\*\*Total project investment included with Segetis loan project.

Mining Reinvestment Fund

The Mining Reinvestment Fund was established by the 1992 Minnesota Legislature. In years when total industry production exceeds 30 million tons, up to 30.1 cents-per-ton of the taconite production tax may be rebated to northeastern Minnesota iron ore mining operations.

The rebate must be used for:

- workforce development and associated public facility improvement
- acquisition of plant and stationary mining equipment and facilities
- research and development in Minnesota on new mining or production technology

FY13

COMPANY - DESCRIPTION	IRRRB INVESTMENT
ArcelorMittal-Minorca – construct a building to house all compressed air systems	774,718
Hibbing Taconite – convert to Derrick Stack Sizer screens	1,504,555
Magnetation LLC – install ball mill	42,786
Magnetation Inc. – add vacuum disk filtration	4,800
Northshore Mining – reactivate concentrator Section 5	1,453,194
United Taconite – upgrade finishers and roll screens	1,628,692
US Steel Keetac – upgrade mine management system, replace crusher canopy doors, install new concentrator secondary mill area air handling system, install remote openers for maintenance shop overhead doors and expand concrete approach aprons for the truck shop	1,141,598
US Steel Minntac – upgrade mine management system, upgrade VFD fans and replace transformer relay in agglomerator	3,295,389
Total	\$9,845,732

FY14

COMPANY - DESCRIPTION	IRRRB INVESTMENT
ArcelorMittal-Minorca – upgrade machine shop, refurbish vacuum disc filter and upgrade tailings pump	831,403
Hibbing Taconite – upgrade surge pile dust control, rebuild and replace plant infrastructure, build hazard guards and install dewatering system pumps	2,112,607
Magnetation LLC – install Vertimill	562,023
Mesabi Nugget – upgrade pan pushing system	40,339
Northshore Mining – construct a fine crusher maintenance building	1,666,834
United Taconite – upgrade vacuum system pump, replace three dust collector systems and replace air filtration system	1,619,470
US Steel Keetac – new pump transfer station and upgrade burning machine	1,538,730
US Steel Minntac – upgrade fine tailings pump and upgrade concentrator finisher	3,860,006
Total	\$12,231,412



The 2013-2014 Biennial Report recaps IRRRB  
activities from July 1, 2012 through June 30, 2014.

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Rehabilitation Board**

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