

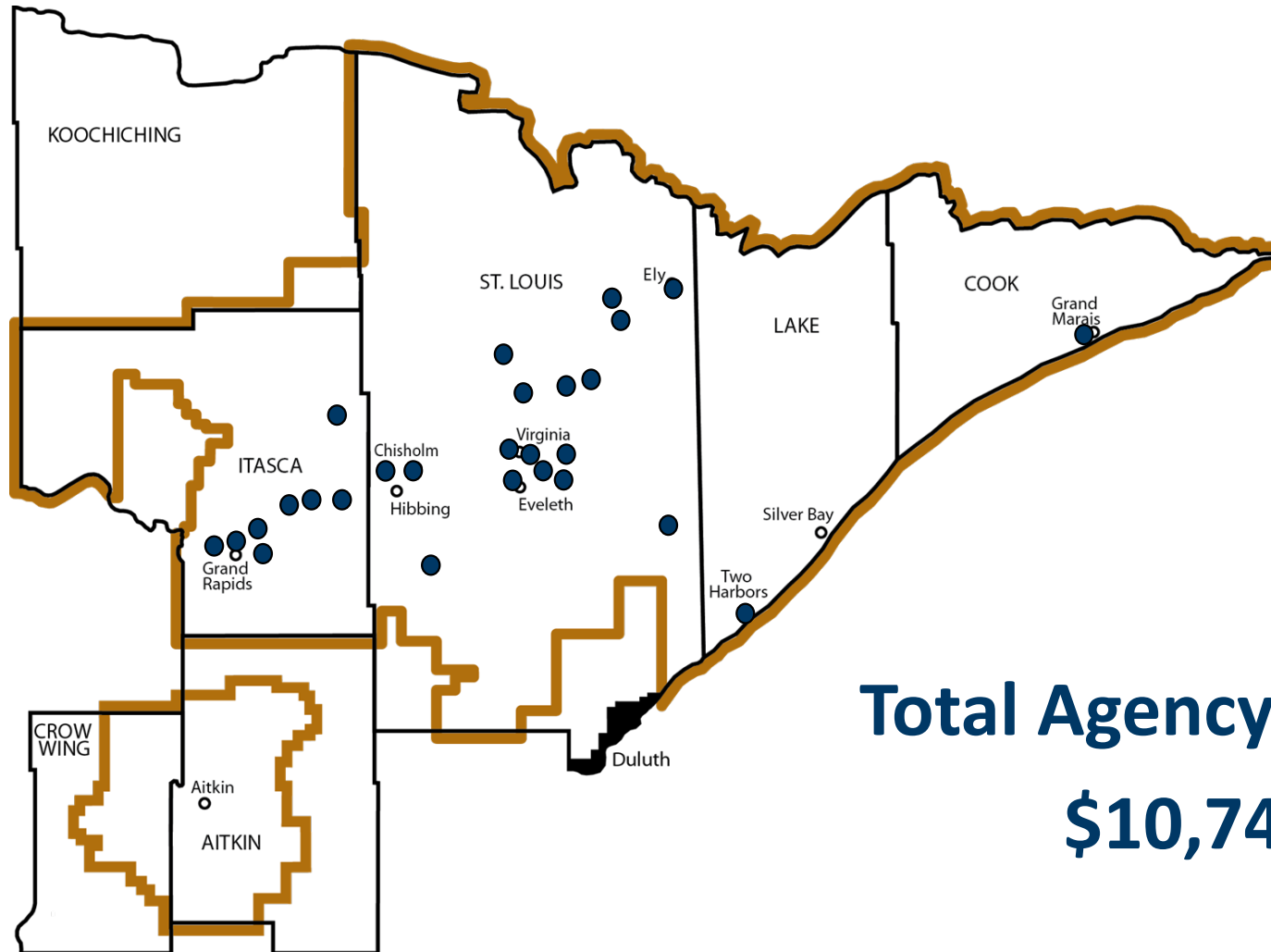


Iron Range Resources & Rehabilitation Board Meeting
Wednesday, May 27, 2026 | 9:00 a.m.

Board Meeting Agenda

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- I. Call to Order
 - II. Roll Call
 - III. Approval of February 12, 2026, Meeting Minutes
See Addendum A
 - IV. Commissioner's Comments
 - V. Presentation/Update on the Rukavina Loan Forgiveness Dental Program
 - VI. Business Development Projects
 - VII. FY26 Budget Amendments
 - VIII. Public Works Projects
 - IX. Housing Projects
 - X. FY24 Regional Trails Grant Scope Amendment
 - XI. Iron Range Schools & Community Development Account
 - XII. Iron Range Higher Education
 - XIII. Site Readiness Project
 - XIV. FY27 Budget
See Addendum B
 - XV. Other
 - XVI. Adjournment

Total Agency Investment



Total Agency Investment
\$10,740,444

Rukavina Loan Forgiveness Dental Program Update

Presented by

Dr. Michael Zakula
Director and Vice-President on Board of Directors
Minnesota Dental Foundation
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Program Overview

Program Specifics:

- Up to \$30,000 per year for four years: Maximum of \$120,000
- Must maintain a general dental practice at least 4 days a week for 5 years.

Key Tenets:

- Bring dentists to rural communities within the Taconite Assistance Area.
- Facilitate the placement of dental professionals who demonstrate, both personally and professionally, a genuine desire to establish a long-term commitment.

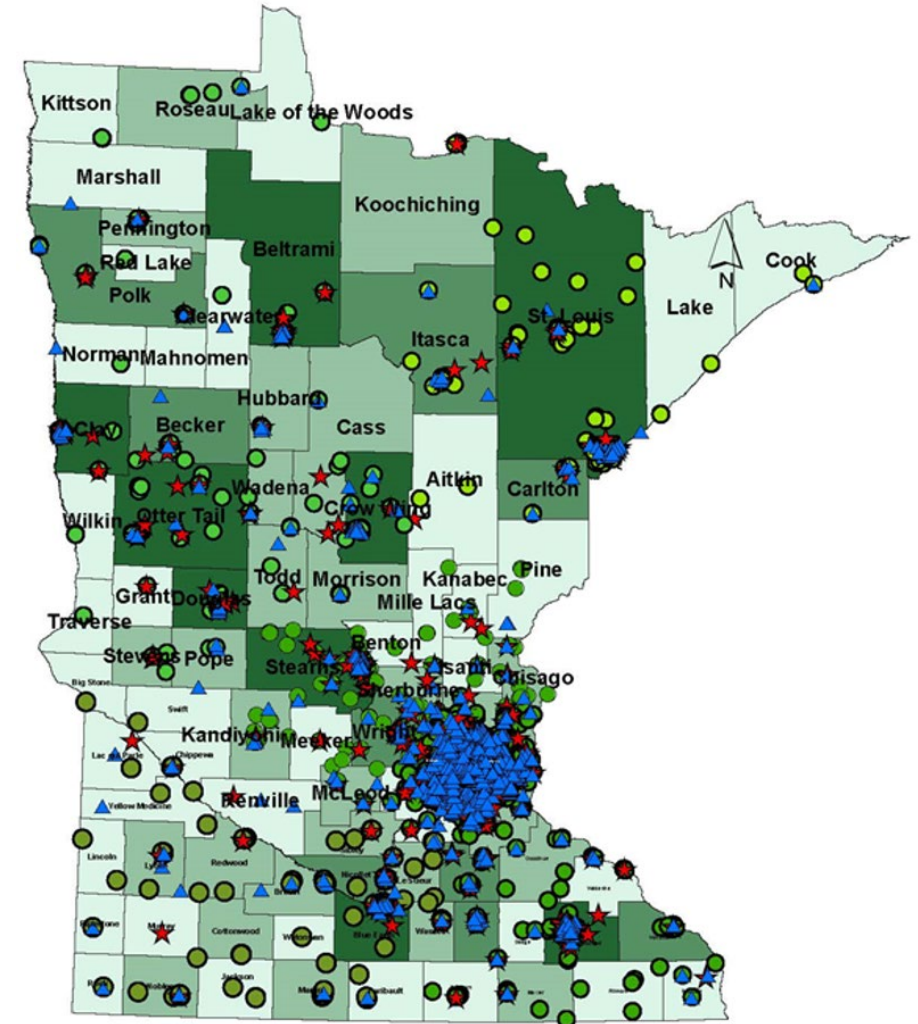
Dental Crisis in Rural Minnesota

Dental Crisis in Rural Minnesota

- 63% of dentists are located in the 7-county metro area.
- Serving only 54% of the state's population.



Source: Minnesota Board of Dentistry
Prepared by: Minnesota Office of Rural Health & Primary Care



Communities With One Dentist Remaining



The University of Minnesota School of Dentistry

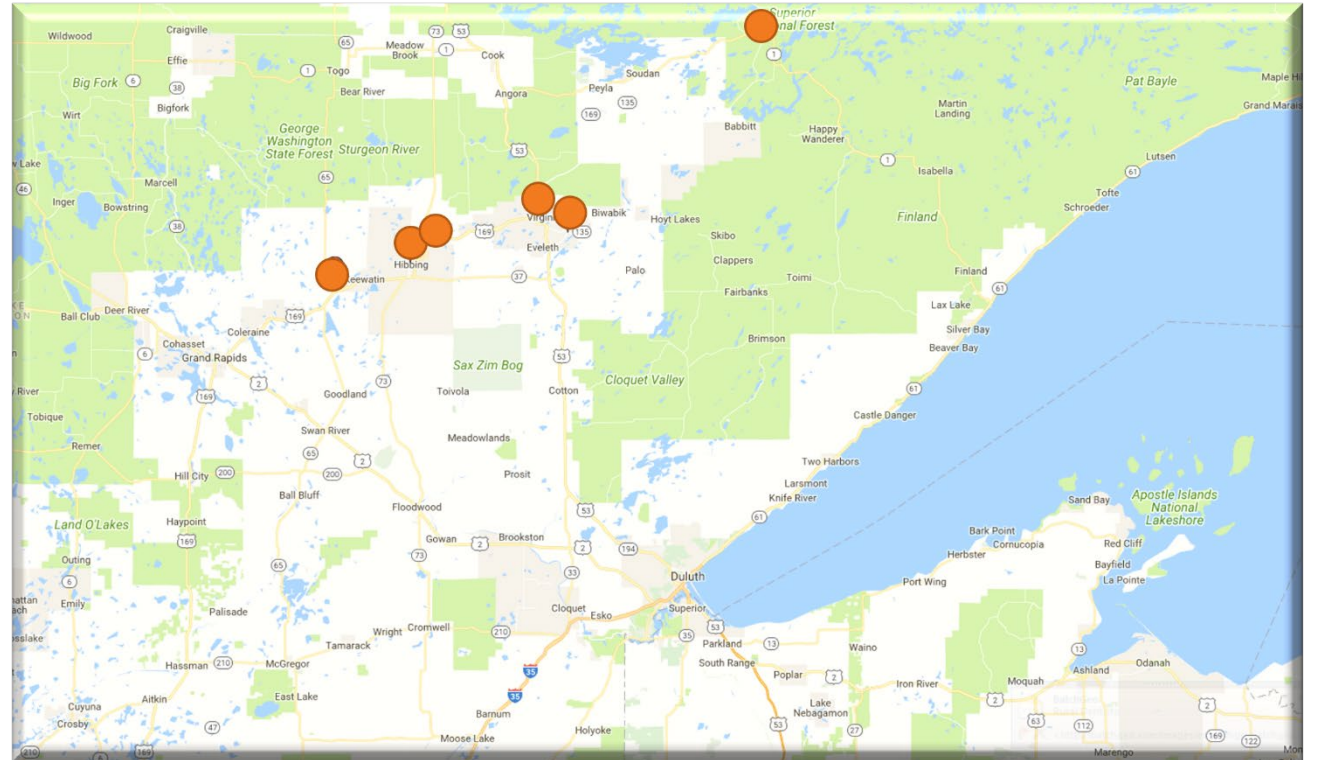
Solution?



Strengthening Rural Dental Access on the Iron Range

Locations:

- Chisholm (2)
- Ely
- Gilbert
- Hibbing (3)
- Nashwauk
- Virginia (2)



Nine out of the ten dentists stated that they would not have been able to locate on the Iron Range if they had not received loan forgiveness monies from the IRRR programs. The 10th dentist indicated that the program allowed them to open their office with a much greater capacity for serving patients.

Dental Program Economics

- **Total economic effect per practice**
 - Direct + indirect + induced effect = \$5,000,000 (ADA HPI data)
- **Total cumulative years represented by supported practice = 92 years**
- **Total economic stimulus to area – 92 years x \$5 million = \$460,000,000**

IRRR Investment: **\$1,349,980**

Return on Investment: **\$460 M / \$1.35 M = 341/1**

A Successful Program

Why this program is successful:

- Creation of new jobs.
- New construction and remodeling.
- Improved access to dental care.
- Economic impact of program.
- Return on IRRR investment.



Continuation of the Dental Program

Thank you for your consideration of a fiscal year 2027 investment of \$260,000 to continue support for the Martha Mordini Rukavina Loan Forgiveness Program.

Business Development Projects

Presented by

Scott Sundvall
Loan Officer
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Border Lakes Brewing (BLB) LLC

Agency Investment: \$559,862

Total Project Investment: \$2,069,724

Number of Jobs:

Planned New: 6 Full Time Equivalent and 12 Part-Time

Project: Purchase equipment for craft beer production, canning and distribution in Ely. BLB will produce high-quality craft beer and manufacture canned beer and filled kegs for local distribution.

Resolution No. 26-020

MoonLyte Brewing Co. LLC and Twin Lake Properties Inc.

Agency Investment: \$154,448

Total Project Investment: \$474,927

Number of Jobs:

Planned New: 6 Full Time Equivalent and 15 Part-Time.

Project: This project involves two loans. One loan is to purchase equipment for craft beer production, canning and distribution in the local area. MoonLyte Brewing Company will produce high-quality craft beer and manufacture canned beer and filled kegs for local distribution. The second loan is to make improvements to the property in Chisholm.

Resolution No. 26-021

Fiscal Year 2026 Budget Amendments

Presented by

Dave Kallio
Accounting Director
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Fiscal Year 2026 Budget Amendments Overview

Fiscal Year 2026 (FY26) Budget Amendments Purpose: Increase the FY26 budget by \$3,876,300 to pay for additional Community Development program projects.

Program: Commercial Redevelopment

Amount of Increase: \$500,000

Funding Source: Taconite Area Environmental Protection Fund

Program: Housing

Amount of Increase: \$993,000

Funding Source: Douglas J. Johnson Economic Protection Trust Fund Corpus

Program: Public Works

Amount of Increase: \$2,383,300

Funding Source: Douglas J. Johnson Economic Protection Trust Fund Corpus

Resolution No. 26-022

Public Works

Presented by

Chris Ismil
Community Development Representative
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Public Works Projects Overview

Program Purpose: Public Works grants support local and Tribal governments with infrastructure funding that provides essential services and promotes economic development.

Economic Impact:

Number of Projects: **18**

Agency Investment: **\$2,498,374**

Total Projects Investment: **\$14,560,506**



Public Works Projects

Grantee	Project Description	Agency Investment	Total Project Investment
Arrowhead Township	Replacement of failing septic system at the town hall.	\$35,000	\$87,423
Carpenter Township	Improvements to town hall, including replacement of all doors and windows.	\$23,000	\$51,580
City of Cook	Improvements to city wastewater treatment facility and replacement of sanitary sewer line.	\$150,000	\$799,449
City of Gilbert	Improvements to city infrastructure, including new sanitary sewer mains, manholes, services, water main replacement, valves, hydrant upgrades and necessary utility connections.	\$1,000,000	\$1,728,737

Public Works Projects

Grantee	Project Description	Agency Investment	Total Project Investment
City of Grand Rapids	Replacement of infrastructure at Garden Court Chateau, including three failing wells and an outdated septic system.	\$53,000	\$117,000
City of LaPrairie	Improvements to city hall after flood damage, including new flooring, doors and paint.	\$25,000	\$61,726
City of Nashwauk	Improvements to city hall, including replacing failing boiler system and reconstruction of an accessibility ramp.	\$150,000	\$415,350
City of Tower	Non-historic modifications and rehabilitation of the historic fire hall's original arched entrance. Additional work includes repairing and refinishing original wood floors and metal ceilings, repairing historic doors and the cistern hatch, and installing security hardware.	\$195,000	\$653,280

Public Works Projects

Grantee	Project Description	Agency Investment	Total Project Investment
City of Two Harbors	Replacement and relocation of water main.	\$170,000	\$442,143
City of Virginia	Infrastructure and street upgrades to support the expansion of Pohaki.	\$167,000	\$3,520,697
City of Virginia	Infrastructure, site work and construction of a new building for Viking Coca-Cola Bottling Company.	\$145,000	\$3,967,136
Cook County/Grand Marais Joint Economic Development Authority	Rerouting and upgrading water and sanitary sewer service across a recently acquired parcel.	\$125,000	\$2,111,194

Public Works Projects

Grantee	Project Description	Agency Investment	Total Project Investment
Embarrass Region Volunteer Fire Department	Fire hall improvements and helipad construction.	\$78,500	\$157,004
Embarrass Township	Town hall improvements, including replacement of the failing roof, electrical upgrades in the main building and maintenance garage, sewer line replacement, entry door replacement, a clerk's office addition and site safety improvements.	\$41,000	\$140,000
Eveleth Virginia Airport Authority	Airport infrastructure improvements, including apron and taxi lane repairs to eliminate a recurring low spot that collects water and creates hazardous ice conditions.	\$25,874	\$70,324

Public Works Projects

Grantee	Project Description	Agency Investment	Total Project Investment
Greenwood Township	Town hall and fire hall improvements, including replacement of town hall windows, HVAC upgrades and installation of a new water storage tank for the fire hall.	\$47,000	\$94,402
Sandy Township	Town hall improvements, including foundation repair, installation of a high-efficiency HVAC system and construction of a new 12-by-17-foot office space.	\$20,000	\$41,260
Town of Bassett	Town hall and fire hall improvements. Town hall improvements include a new ADA-accessible entrance, replacement doors and updated window trim. Fire hall improvements include roof upgrades and new paint.	\$48,000	\$101,801

Resolution No. 26-023

Housing

Presented by

Whitney Ridlon
Director of Community Development
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Housing Purpose and Projects

Program Purpose: Housing grants assist projects or programs that result in the creation of new housing units or the rehabilitation of existing housing units. The program will support housing solutions that align with local priorities and regional employer's needs.

Economic Impact

Number of Projects: **2**

Number of Programs: **1**

Agency Investment: **\$993,000**

Total Project Investment: **\$5,964,135**

New Housing Units: **8**

Rehabilitated Housing Units: **4**

New Lots for Future Housing Units: **8**



Housing Project Overviews

Grantee	Project Description	Agency Investment	Total Project Investment
City of Taconite	Extension of sanitary sewer and waterline to serve eight lots for new single-family market rate housing.	\$143,000	\$328,735
City of Grand Rapids	Demolition of the Independent School District No. 318 administration building and construction of utility infrastructure to support eight new single-family homes.	\$350,000	\$4,635,400

Housing Programs

Grantee	Project Description	Total Agency Investment	Total Project Investment
Arrowhead Economic Opportunity Agency	The project is the continuation of the Tax Forfeit Housing Rehabilitation program which acquires, rehabilitates and sells tax forfeit homes to first time home buyers or those in need of moderately priced workforce housing.	\$500,000	\$1,000,000

Resolution No. 26-024

Fiscal Year 2024 Grant Scope Amendment: Regional Trails

Presented by

Danae Beaudette
Community Development Representative
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Fiscal Year 2024 Scope Amendment: Regional Trails

Program Purpose: Regional Trails grants assist with the design, engineering and construction of various types of trails.

Economic Impact:

Original Agency Investment: **\$500,000**

Total Project Investment: **\$2,997,430**

St. Louis & Lake Counties Regional Railroad Authority

Grant Amount: \$500,000

Remaining Grant Funds: \$73,867



Fiscal Year 2024 Scope Amendment: Regional Trails

Original Project Approval: In August of 2023, Iron Range Resources & Rehabilitation (IRRR) approved a \$500,000 grant for the project to support completing construction of a five-mile gap segment of Mesabi Trail from McKinley to Biwabik, connecting the Virginia area to the Giants Ridge and Embarrass area.

Reason for Grant Scope Change: St. Louis & Lake Counties Regional Railroad Authority completed the construction of the five-mile gap segment of Mesabi Trail from McKinley to Biwabik. There is a remaining grant balance of \$73,867. The Railroad Authority is seeking approval from IRRR to use the remaining grant balance to complete construction of another project involving an approximate seven-mile-long by 10-foot-wide paved bike trail between Wahlsten Road (County Road 26) and Tower.



Resolution No. 26-025

Iron Range Schools & Community Development Account

Presented by

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Chisholm Independent School District No. 695

Program Purpose: The Iron Range Schools & Community Development Account provides disbursements to assist school districts with the payment of bonds that were issued for qualified school projects, or for any other school disbursement as approved by the commissioner of Iron Range Resources & Rehabilitation (IRRR) after consultation with the IRRR Board.

Project: Site development and building construction for a new shared city public works facility and school bus garage. IRRR learned of the city and school projects through separate discussions and a funding request made to the agency. Subsequently, city and school district officials held joint meetings to explore how a shared site could reduce costs and improve efficiency.

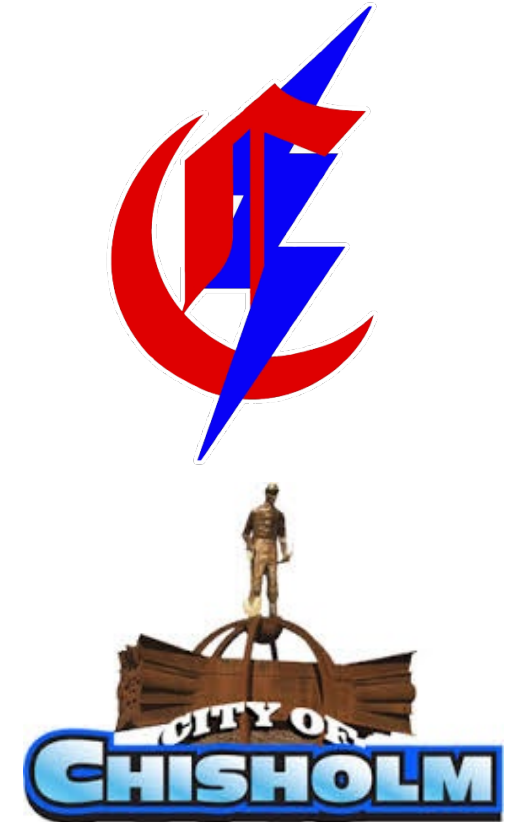
Agency Investment: **\$3,654,760**

Total Project Investment: **\$46,640,000**

Resolution No. 26-026

5/27/2026

mn.gov/irrrb/



Iron Range Higher Education Account

Presented by

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Iron Range Higher Education Account Purpose

Program Purpose: The Iron Range Higher Education Committee (IRHEC) advises the commissioner on providing higher education programs to the service area.

Programs are funded by five cents of the Taconite Production Tax that are placed in the Iron Range Higher Education Account.

Upon approval by the IRHEC and recommendation of the Iron Range Resources & Rehabilitation Board, the commissioner approves expenditures from the account.



Iron Range Higher Education Account Projects

Program	Project Description	Total Agency Investment
Minnesota North College: Iron Range Engineering (IRE)	Support the development and delivery of the IRE program.	\$650,000
Minnesota North College: Itasca Campus Engineering	Continuation of engineering program redesign and rebuild at Itasca Campus.	\$230,000
Total		\$880,000

Resolution No. 26-027

Site Readiness Project

Presented by

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Former Hill Annex Mine State Park Site

Purpose: Hill Annex Mine State Park permanently closed in 2024 with the intent to return the site to active mining. The grant will help cover decommissioning costs to prepare the site for a potential future scam mining operation.

Project Description: The project's next phase involves significant outlays to complete an archaeological investigation of the site, conduct further environmental investigation, remediate regulated materials, demolish 39 structures and clean up soil as prescribed by the Minnesota Pollution Control Agency. The remaining work is estimated to cost \$4 million. If approved, this \$2,000,000 grant will be awarded to the Department of Natural Resources as a project lead.

Grant Request: \$2,000,000

Resolution No. 26-028

Fiscal Year 2027 (FY27) Budget

Presented by

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FY27 Proposed Budget

Purpose

Iron Range Resources & Rehabilitation has proposed a \$76,956,874 budget for Fiscal Year 2027 to support economic growth and regional development in northeastern Minnesota. The funding will be allocated across several key categories:

- **Projects and Programs** – supporting community development, infrastructure, and workforce initiatives
- **Giants Ridge** – enhancing the year-round recreation and tourism facility
- **Operations and Development** – maintaining internal operations and strategic planning efforts

Resolution No. 26-029

THANK YOU

Commissioner Ida Rukavina
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