

ITASCA COUNTY COMMUNITY READINESS PLAN

-EXECUTIVE SUMMARY-

Project Purpose

The purpose of the Itasca County Major Projects Readiness Assessment is to determine what steps Itasca County, Minnesota and its communities need to undertake in order to ensure the area is able to successfully support the development of one or more proposed major industrial projects.

Process Description

Recently, several major industrial projects have been proposed in Itasca County. These projects will have major impacts on the communities the projects are located in or near. Local officials recognized the potential for impacts and asked the Arrowhead Regional Development Commission (ARDC) to assist them in assessing their readiness. Itasca County, Range Area Municipalities and Schools (RAMS), Excelsior Energy, and ARDC all provided a portion of the necessary funding for the process.

The Itasca County Readiness Assessment Committee was formed in the spring of 2007 and included elected officials and administrators from the County, Cities, and Townships in central Itasca County. The Committee also invited representatives of housing agencies, economic development groups, the major project proponents, private engineering consultants, and several other key organizations.

The Committee began meeting in April of 2007 and met each month until the



Mesabi Trail-Grand Rapids

assessment was completed. ARDC and the Committee researched and reviewed the major projects, their potential impacts, the administrative capacity of each community involved, and the current infrastructure needs of each community. Finally, the Committee developed recommendations that will result in the entire area being more prepared for the impacts that the major projects may bring. The Committee feels that this preparedness will lead to economic improvement without sacrificing the quality of life of Itasca County and its communities.

Itasca County Readiness Assessment Participating Communities

Cities

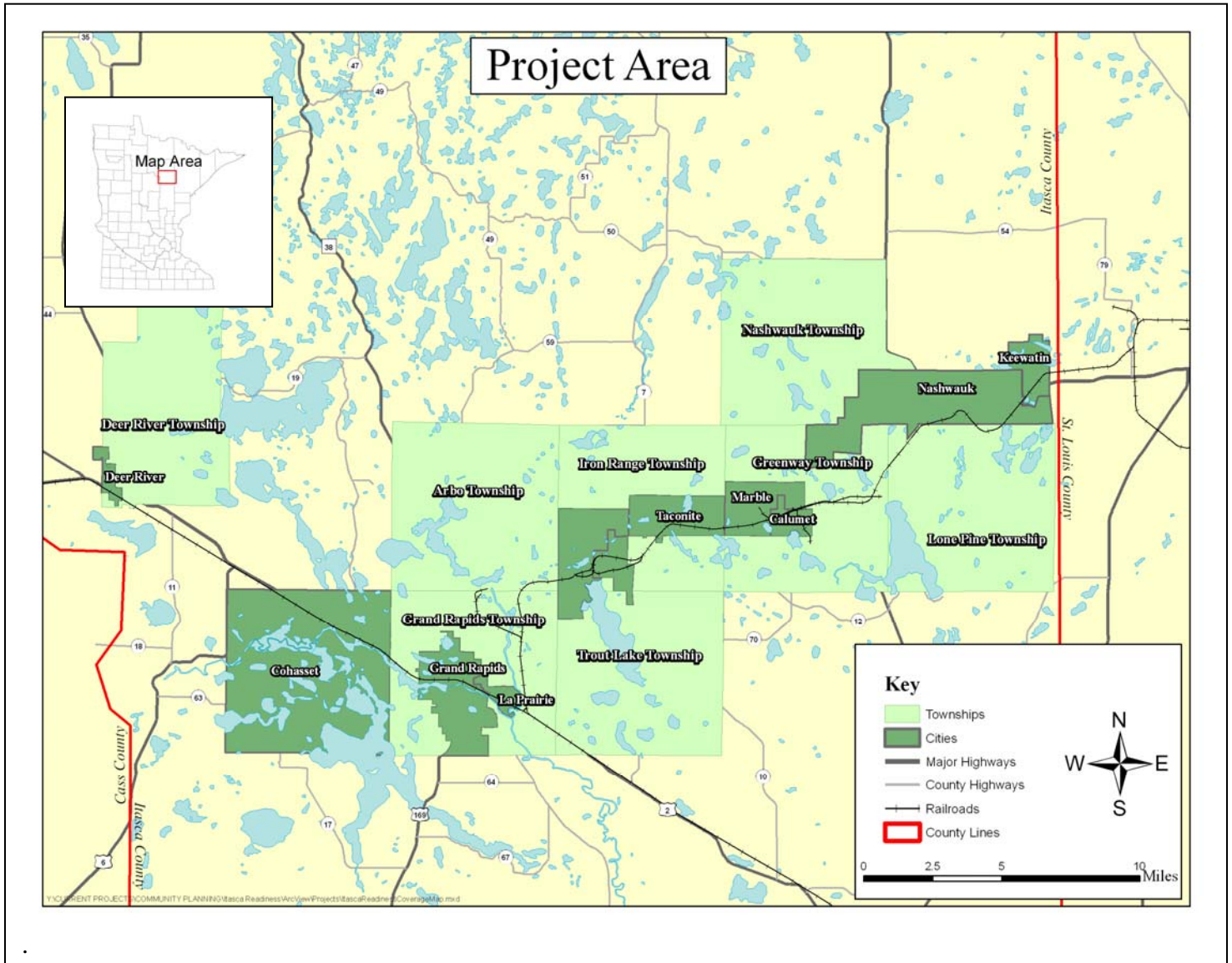
1. Grand Rapids*
2. La Prairie
3. Coleraine
4. Bovey
5. Taconite
6. Marble
7. Calumet
8. Nashwauk
9. Keewatin
10. Cohasset
11. Deer River

Townships

1. Trout Lake
2. Arbo
3. Iron Range
4. Greenway
5. Lone Pine**
6. Nashwauk
7. Deer River
8. Grand Rapids*

*These two will be discussed together as one unit

**Includes Pengilly



The Major Projects

There are several major projects proposed to be located in or very near to Itasca County. Even if just one of these projects is realized, it will have significant impacts. Projects include the UPM Blandin Paper Mill Thunderhawk Project (expansion of the paper mill in Grand Rapids), Excelsior Energy (development of a coal gasification plant for electricity production near Taconite), Minnesota Steel (construction of an integrated steelmaking facility near Nashwauk), Keewatin Taconite improvements (installation of a scrubber), Laurentian Energy (development of biomass fired boilers for electricity and steam near Hibbing), and Clay Boswell Power Plan improvements (emission reduction equipment installation).

Community Needs

The Community Readiness Committee identified several critical topics to study.

Housing was a top concern. Issues include:

- Displacement of low-income renters by incoming workers
- Rentals that do not follow proper zoning procedures and possibly being unsafe or the cause of neighbor tensions (e.g. parking disputes)
- The long-term, informal use of RV's as housing and the potential improper disposal of sewage from the RV
- A increase of manufactured homes in a community
- The development of major temporary housing facilities ("Man Camps") and their potential safety, infrastructure, traffic, and other impacts
- The need for subdivision, zoning, and development rules in communities to ensure that new developments are done in the Communities' best interests.

To better understand the housing issues in the project area, ARDC contracted with a housing inspector to review the housing stock in the municipalities most closely associated with the major projects. The housing consultant did a windshield survey of each of the communities and determined if each home in the City was dilapidated, substandard, or standard.

ARDC completed a significant review of existing *zoning and land use regulations* in Itasca County and its municipalities that could be impacted by the major projects. Each review examined the entity's comprehensive plan, zoning code, and subdivision ordinance. ARDC looked for several specific items, including Comprehensive Plans, zoning of Temporary Housing and RV Parks, and ordinances for Street Standards, Subdivisions, Mobile Home, and Adult Use.

The Committee acknowledges the importance of the area's *transportation* system in the daily life of its citizens and businesses. They also recognize that there may be some impacts on the transportation system if the major projects occur, including damage to local roads from heavy loads, increased traffic, a lack of transit options for workers, and others. Of primary concern was the short two-lane segment of other wise four-lane Highway 169. The two-lane section may present safety and congestion issues.

The Committee expressed concerns about an increased need for *law enforcement* as a result of the implementation of the major projects. Concerns include speeding vehicles, issues at Temporary Housing Developments, tensions due to cultural differences, and simply an increase in population.

Other issues discussed include an increase in students at local *schools*. Concerns were raised that schools may have to address increased enrollment of new children moving into a school district.

ARDC also undertook an assessment of each community's available *Geographic Information System* (GIS) layers. Potential layers include utility locations, roads, parks, land parcels, and much more. Having the layers would allow a community to better address project impacts by having a clear understanding of the location and condition of the community's existing and potential infrastructure.

Community Profiles

A detailed profile of each community involved in this project was developed by the Committee. The profiles are based on a survey of the communities and interviews with community leaders. Each profile outlines the Community's demographics, planning and zoning, housing, infrastructure, GIS, and emergency services. The profiles were used to create recommendations.

Recommendations

Based on discussion and ARDC's research, the Committee recommended actions that should be taken in order to be prepared for the impacts of the major projects. The recommendations are broken into Regional tasks and tasks for specific communities.

Regional recommendations include:

- *R1: Direct ARDC to meet with each participating local entity to describe the results of the assessment and the recommendations for their community (ongoing)*
 - This recommendation ensures that communities are fully aware of the work done by the Committee on their behalf
- *R2: Ask the Western Mesabi Mine Planning Board to add the Community Readiness Assessment as a standing item on their agendas (complete)*
 - This recommendation ensures that the work of the Committee will continue to be monitored and implemented
- *R3: Encourage communities to participate in the Regional Housing Strategy process (ongoing)*
 - This will ensure that Itasca County benefits from the Housing Expeditor project, an effort that is promoting the implementation of housing projects on Iron Range
- *R4: Participate in the Iron Range GIS Collaborative (ongoing)*
 - An effort to bring the benefits of GIS to smaller communities is underway on the Iron Range-participation ensures that Itasca County entities will stay on the cutting edge of this powerful and efficient technology

- *R5: Advocate for the completion of the 4-lane expansion of TH 169 (complete)*
 - The Itasca Community Readiness Committee has developed a profile of Trunk Highway 169 in Itasca County that strongly advocates for the completion of the road as a four-lane highway between Grand Rapids and Hibbing-the document is included in this summary
- *R6: Develop a Regional Infrastructure Assessment and Improvement Plan (complete)*
 - The Itasca County Readiness Committee has assembled a list of desired infrastructure projects for the participating communities-the Western Mesabi Mine Planning Board and the Range Readiness Initiative now needs to work with the communities to implement those projects
- *R7: Develop a Residential Developable Property Assessment (complete)*
 - The Itasca Community Readiness Committee has assembled information regarding available properties proposed for residential development for the project area-the detailed maps and descriptions are included in this document
- *R8: Develop a Regional Small Cities Development Grant Application (complete)*
 - The Itasca Community Readiness Committee led the development of an application for a grant to fund critical home and business improvements-unfortunately, the grant application was not funded by DEED-the Communities should try again next year

Local recommendations include:

- Each community should have an updated comprehensive plan, future land use map, and zoning ordinance that includes modern language regarding temporary housing, mobile homes, camping/RVs, adult-use businesses, street and sidewalk standards, subdivisions, and sanitation
- Each community should identify potential areas for residential, industrial, and commercial development and identify the necessary infrastructure improvements that will be needed to make such development viable
- Each community should have a updated condition assessment of its utilities and infrastructure
- Each community should have five-year infrastructure maintenance and improvement plans for roads, sidewalks, and any other infrastructure for which a municipality is responsible
- Each community should have access to GIS shapefiles of their zoning districts, future land use map, ownership parcels, future mining boundaries, roads, sidewalks, trails, sewer lines, public facilities and parks, water lines, and any other infrastructure/utilities

- Each community should be aware of potential emergency service needs for the major projects and should address those needs with the project proposers as soon as possible

DEVELOPABLE PROPERTIES SUMMARY

As part of the Itasca County Major Projects Readiness Assessment, staff from the Arrowhead Regional Development Commission (ARDC) met with City leaders from the Cities of Nashwauk (Oct 10th), Bovey (Oct 11th), La Prairie (Oct 11th), Calumet (Oct 16th), Coleraine (Oct 16th), Grand Rapids (Oct 19th), Marble (Oct 24th), Keewatin (Nov. 29th), and Cohasset (Nov. 29th) to identify suitable properties for housing development, infrastructure concerns, and to acquire zoning and land use information. Taconite had provided a detailed summary of their properties to ARDC and so no meeting was needed. Meetings with Cohasset and Keewatin have not yet occurred, but are now scheduled. Those cities will be added at a later date.

ARDC sought to learn what properties Cities believe have potential to be developed into residential properties, where they are located, if roads and utilities are nearby, and if the landowners have shown interest in developing their property. Based on the conversation with City leaders, ARDC ranked each potential property as having High, Medium, or Low potential for housing. To earn a "High" rating, the property simply needed to be near existing infrastructure and have a willing landowner. ARDC also asked City leaders about their interest in hosting a Temporary Housing Facility ("Man Camp").

The information garnered from these meetings is summarized below and is shown on the series of maps and tables included in this document. The information will be made available to any community, landowner, or developer that requests it. It also will be provided to the Range Readiness Initiative's Housing Expeditor.

Grand Rapids:

The City of Grand Rapids has twenty-seven targeted properties totaling 305.1 acres. Eleven of these properties have high potential for permanent housing development, fourteen have medium potential and three were already developed. Thirteen are near roads and 10 already have roads constructed in them. Eleven properties are near existing utilities and 10 already have utilities. Of these properties, three are already developed. One is divided into about 38 affordable housing units, one has about 33 lots remaining for sale, and one has about 20 lots remaining for sale.

None of the identified sites are considered by City leaders to be a potential location for a temporary housing development, although the City is not against hosting such a facility. The City also mentioned that putting a temporary housing facility in an industrial zoned property may be feasible.

La Prairie:

The City of La Prairie has seven potentially developable properties totaling 336.6 acres. Two are ranked High; three are ranked Medium, and two are ranked Low. Six properties are near roads and five properties are near utilities. In the opinion of City leaders, two of these properties may be suitable for a temporary housing development.

Coleraine:

The City of Coleraine identified nine properties totaling 295.3 acres. Six of the available properties are in platted subdivisions with lots for sale. Two others have medium potential for permanent housing. There is a 280 acre property on the south edge of the City for which the landowner has high interest in developing. The landowner would consider a temporary housing development on that property. There may be road and utility access issues for that property that will need to be addressed.

Bovey:

The City of Bovey has two proposed two properties for housing that total about 40 acres. Both are near utilities. One property is ranked as medium, but could become High if the County (the property is tax-forfeit) agrees to work with the City to have it developed. The remaining property is owned by the City and is ranked as High. The City would consider a temporary housing facility on the site if it resulted in permanent infrastructure to be used for permanent housing after the temporary facility is no longer there.

Taconite:

The City of Taconite has two properties totaling 275.7 acres; one with High potential and one with Medium potential. Of the two properties a 56.5 acre piece may be a possibility for a temporary housing development. There is also a property owned by the White Earth Reservation that has been proposed as an assisted living facility location in the past. It is unclear as to the current future of that property.

Marble:

The City of Marble has two potential properties totaling 134.1 acres. One has a High level of interest for permanent housing development and the other a Medium potential. The High level property is near roads and utilities and is a potential site for a temporary housing development.

Calumet:

In Calumet, the City has identified thirteen properties totaling 130 acres. One property is ranked High, five are Medium, and seven are Low. Eight properties are near roads and utilities. The property ranked as being High is a 23.7 acre piece of property owned by the City that is a potential site for a temporary housing development.

Nashwauk:

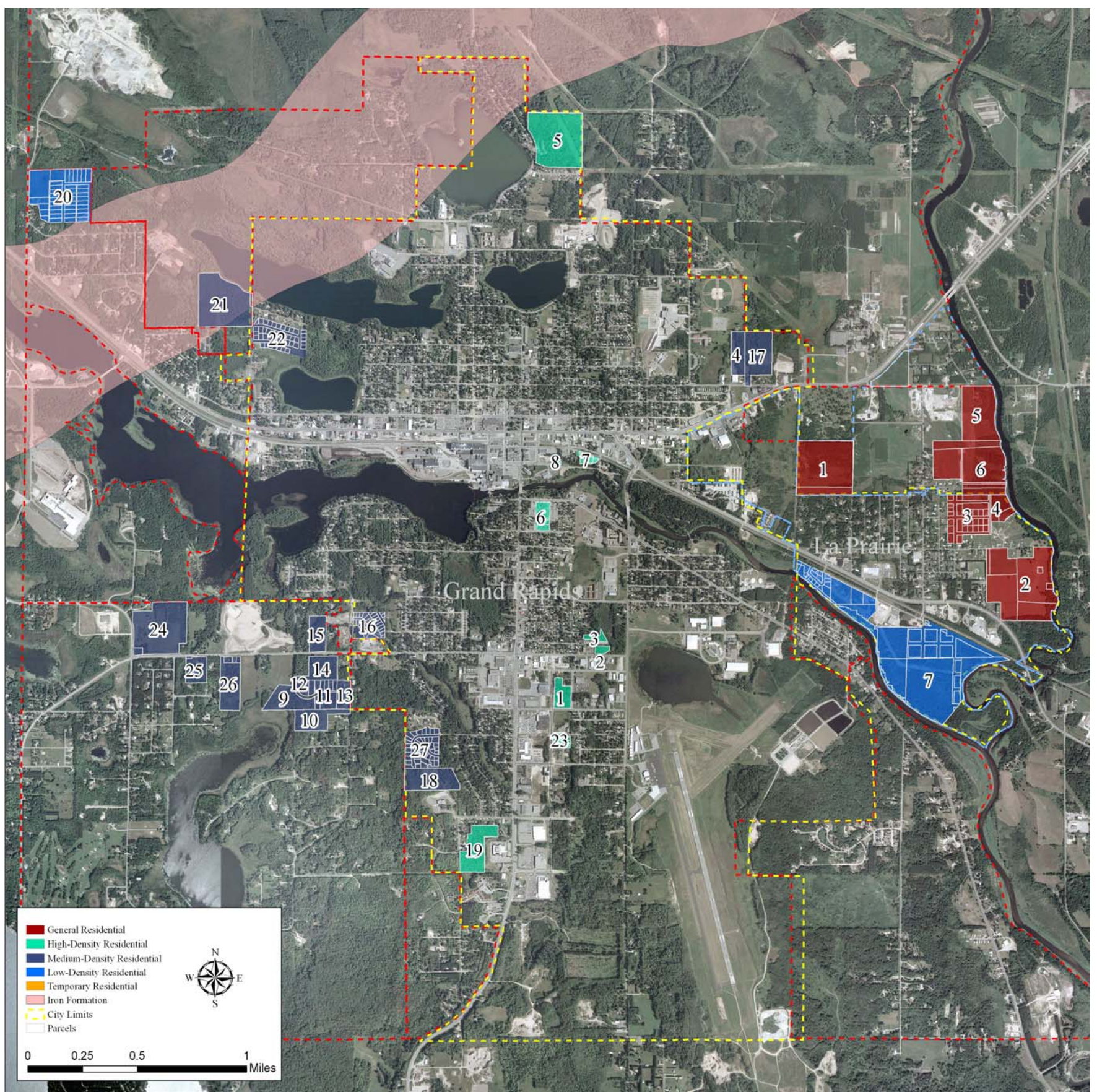
The City of Nashwauk has four potential properties totaling 304 acres. Three of the potential properties are near roads, and two are near utilities. One property has a Low potential in becoming permanent housing development, one is ranked Medium, and one is High. One 75 acre property has been identified as being viable for a temporary housing development only.

Keewatin

The City of Keewatin identified 142.7 acres of land potentially available for development. There is a high level of interest in developing the primary site which is a 74 acre property owned by the City. This property is near streets but requires the expansion of water and sewer lines in order to connect the development to the existing system. There is also an 18.5 acre property near utilities and streets that has development interest, and a 50.2 acre property, near both roads and utilities, that the City would like to see annexed and residentially developed.

Cohasset

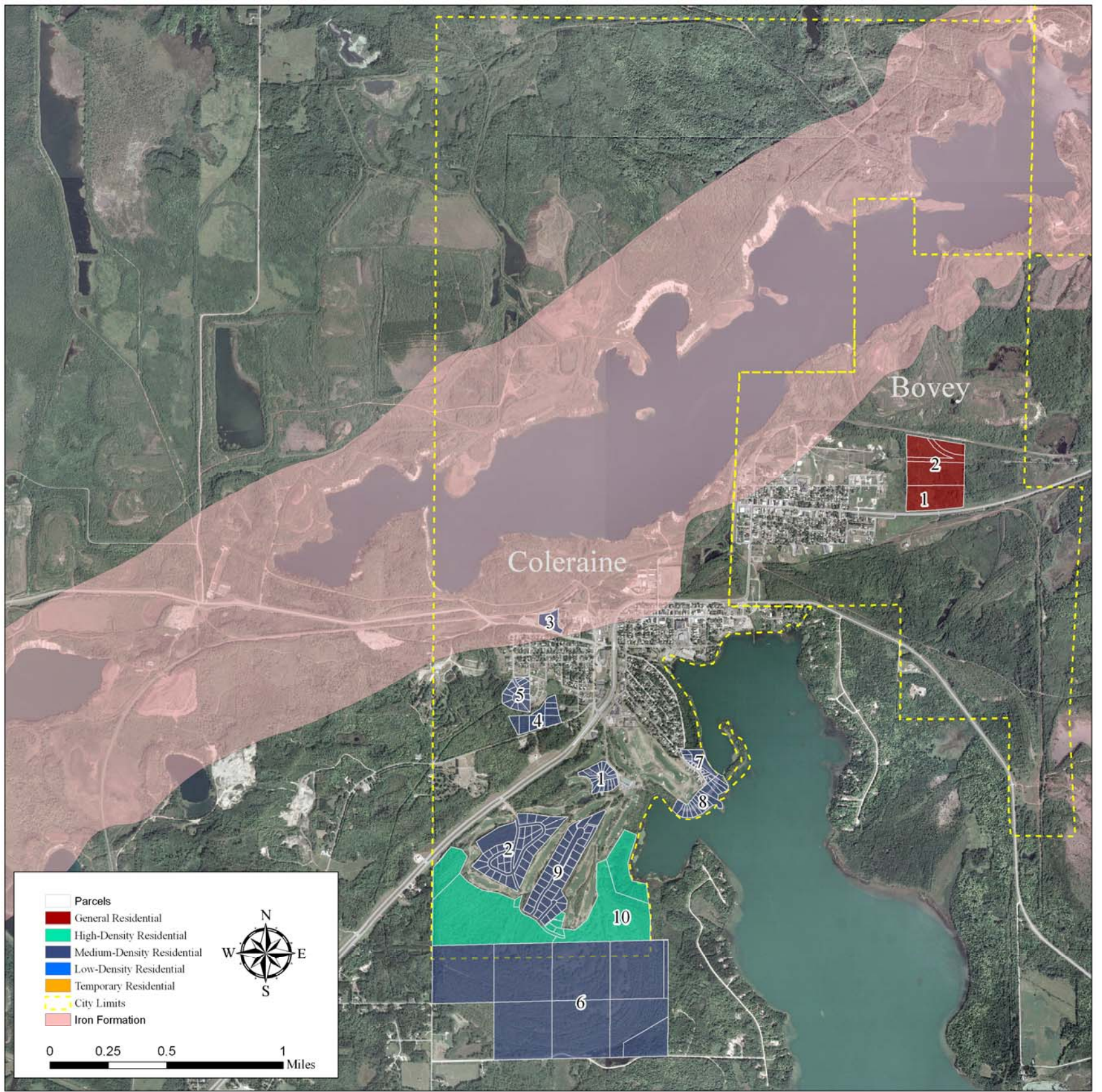
The City of Cohasset chose to not identify any properties for development at this time. City leaders feel that there is existing housing that can meet the housing demand in their City.



Developable Residential Properties in Grand Rapids & La Prairie

Polygon #	Primary Owner Name	# of acres	Platted for Increased Densities?	Roads?	Utilities?	Potential Temporary Housing Site?	Potential/Interest for Permanent Housing?	Comments
1	Daniel J. Hoolihan	41.0	No	Nearby	Nearby	Maybe	Medium	
2	Hammerlund Partnership	58.0	Preliminary	Nearby	Nearby		High	
3	Richard & Wanda Karpik; several others	23.0	Yes	Nearby	Nearby		High	
4	Tax Forfeit	4.2	No	Nearby	No		Low	
5	Jody Johnson	24.8	No	No	No		Medium	
6	Multiple	45.7	No	Nearby	Nearby		Low	Much of this property is occupied by utility easements
7	Multiple (inc. Industrial Forest)	127.6	Partially	Nearby	Nearby	Maybe	Medium	
1	Grand Square Associates LLC	5.8	No	Nearby	Nearby		High	Higher density desirable, potential for affordable units
2	City of Grand Rapids	1.4	Partially	Yes	Yes		High	Higher density desirable, potential for affordable units
3	City of Grand Rapids	1.9	Partially	Yes	Yes		High	Higher density desirable, potential for affordable units
4	J & P Building Company	8.0	No	Nearby	Nearby		Medium	
5	Grand Rapids Housing & Redevelopment	36.4	No	Nearby	Nearby		Medium	Powerline Easement Splits Property, potential for affordable units
6	Grand Itasca Clinic & Hospital	NA	No	Yes	Yes		Developed	38 affordable housing units will be made available soon
7	John & Charlene Swann	2.3	No	Yes	Yes		Medium	Demo and Reszone Needed
8	Grand Rapids Economic Development	0.6	No	Yes	Yes		Medium	Rezone Needed
9	Horseshoe Properties, LLC	11.3	No	Nearby	Nearby		High	Likely to be higher-income homes
10	Miranda & Michael Block	10.7	No	Nearby	No		Medium	Likely to be higher-income homes
11	Horseshoe Properties, LLC	8.4	Partially	Yes	Yes		High	Likely to be higher-income homes
12	Horseshoe Properties, LLC	3.5	Yes	Yes	Yes		High	Likely to be higher-income homes
13	Pete Houwman	7.2	No	Nearby	No		Medium	Likely to be higher-income homes
14	Horseshoe Properties, LLC	10.2	No	Nearby	Nearby		Medium	Likely to be higher-income homes
15	Janet & Rick Deutsch	8.1	No	Nearby	Nearby		Medium	Likely to be higher-income homes
16	Legacy Development	NA	Yes	Yes	Yes		Developed	20 lots for sale
17	Glorvigen Rental	16.9	No	Nearby	Nearby		Medium	
18	St. Joseph's Catholic Church	15.4	No	Nearby	Nearby		High	
19	DW Jacobson, Sr.	14.8	No	Nearby	Nearby		High	Potential for Higher Density
20	Robert Rucinski/Virginia Trust	41.2	Yes	No	No		Medium	Utilities are quite far away
21	Vernon Erickson	33.4	No	Nearby	Nearby		Medium	
22	Mark & John Hawkinson	12.0	Yes	Nearby	Nearby		High	
23	PSD, LLC	NA	Yes	Yes	Yes		High	Likely to be developed as 6 twin homes
24	Blandin Paper Company	34.3	No	No	No		Medium	
25	Edith Dahlgren	7.5	No	No	No		Medium	
26	Thomas & Rebecca Mock	14.3	No	No	No		Medium	
27	Ink Development, LLC	NA	Yes	Yes	Yes		Developed	33 lots for sale

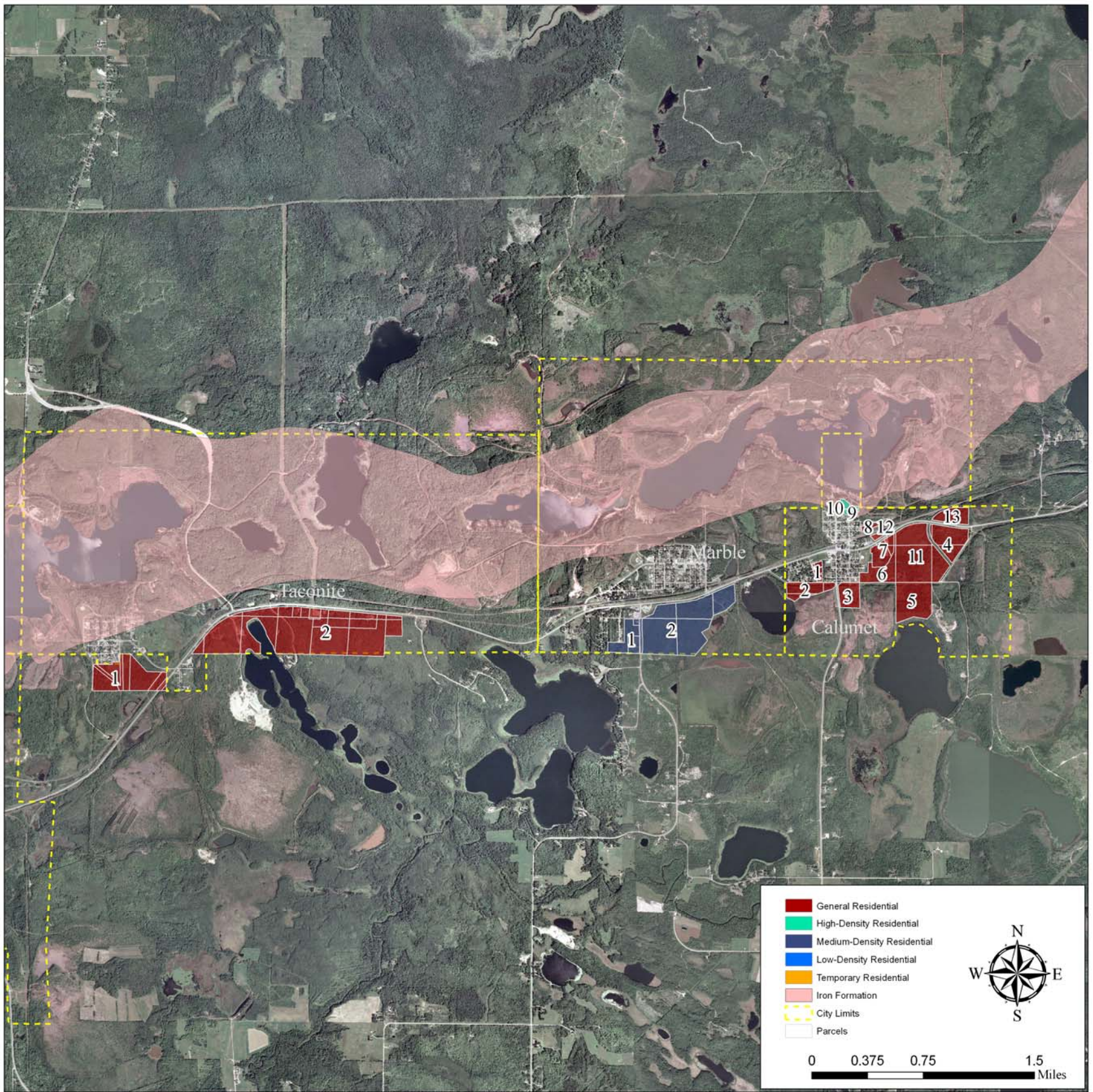
Properties in Italics are owned by a public entity.



Developable Residential Properties in Coleraine & Bovey

Community	Polygon #	Primary Owner Name	# of acres	Platted for Increased Densities?	Roads?	Utilities?	Potential Temporary Housing Site?	Potential/Interest for Permanent Housing?	Comments
Coleraine	1	Multiple Owners	NA	Yes	Yes	Yes		Developed	Only a few lots left
	2	Wildwood Pointe LLC	NA	Yes	Yes	Yes		Developed	About 19 lots for sale
	3	James Ohman	4.0	No	No	Nearby		Medium	
	4	Multiple Owners	11.3	Yes	No	Nearby		Medium	
	5	<i>City of Coleraine</i>	NA	Yes	Yes	Yes		Developed	About 4 lots for sale
	6	Eagle Properties of Itasca County	280.0	No	No	Nearby	Yes	High	
	7	Multiple Owners	NA	Yes	Yes	Yes		Developed	Some lots for sale
	8	Multiple Owners	NA	Yes	Yes	Yes		Developed	Some lots for sale
	9	Wildwood Pointe LLC	NA	Yes	Yes	Yes		Developed	About 38 lots for sale
	10	Wildwood Pointe LLC	NA	No	No	Nearby		High	
Bovey	1	<i>City of Bovey</i>	16.5	No	No	Nearby	Maybe	High	Adjacent to County Tax Forfeit
	2	<i>Tax Forfeit (County)</i>	31.2	No	No	Nearby		Low	Adjacent to City Property

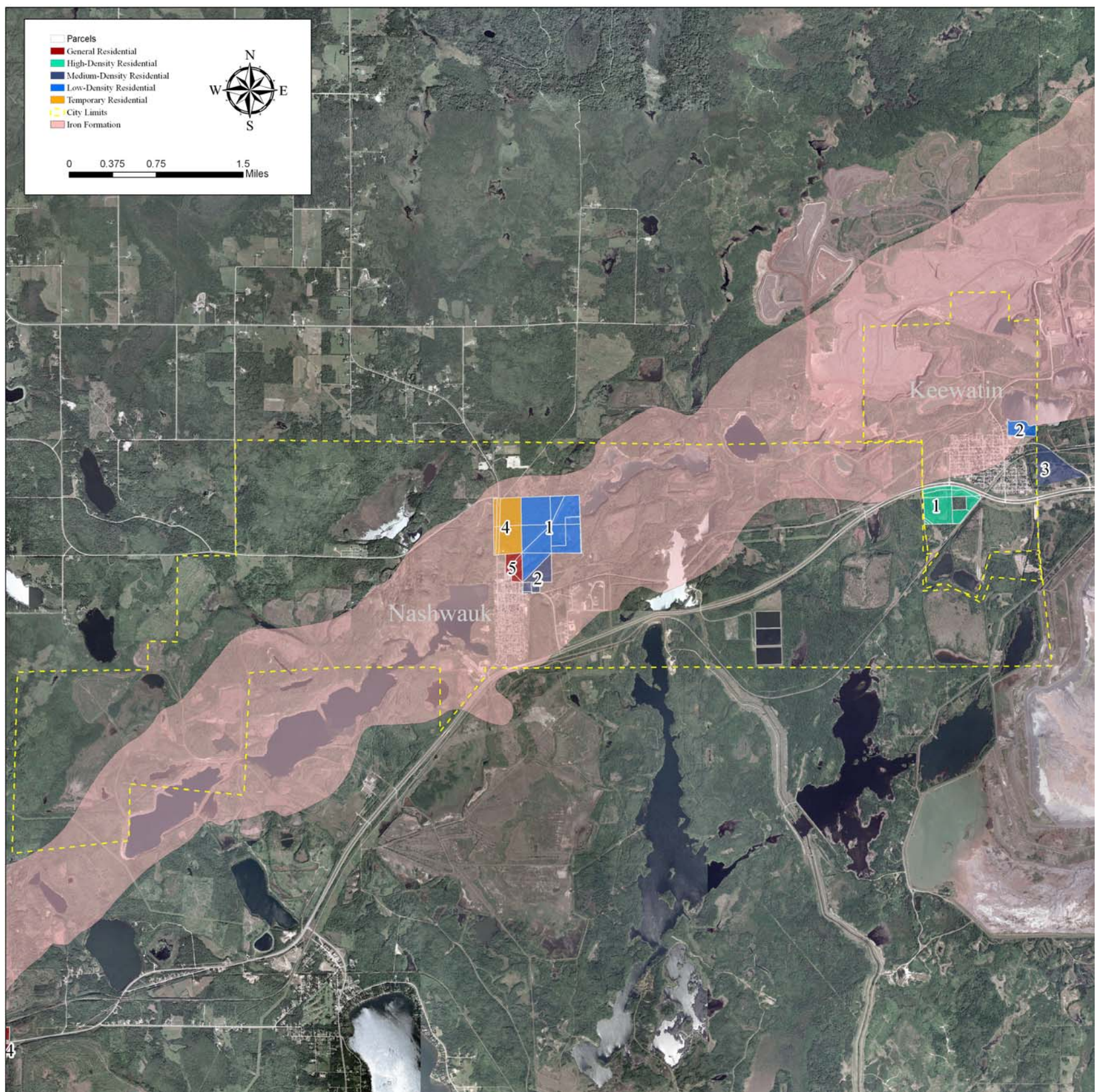
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Developable Residential Properties in Taconite, Marble, & Calumet

Community	Polygon #	Primary Owner Name	# of acres	Platted for Increased Densities?	Roads?	Utilities?	Potential Temporary Housing Site?	Potential/Interest for Permanent Housing?	Comments
<i>Taconite</i>	<i>1</i>	<i>City of Taconite</i>	<i>56.5</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>High</i>	
	2	Multiple	219.2	No	No	No		Medium	
Marble	1	Harley & Madonna Jenson	23.1	No	Nearby	Nearby	Yes	High	Adjacent to Existing Mobile Home Park
	2	Multiple (inc. Mining Industry)	111.1	No	No	No		Medium	
Calumet	1	Multiple	4.6	No	Nearby	Nearby		Medium	
	2	<i>City of Calumet</i>	<i>17.5</i>	<i>No</i>	<i>Nearby</i>	<i>Nearby</i>		<i>Medium</i>	
	3	Great Northern Prosperities	15.2	No	Nearby	Nearby		Low	
	4	Brandon & Dean Apitz	26.5	No	No	No		Low	
	5	Ricky, Theresa & Patrick Olek	38.2	No	No	No		Low	
	6	<i>City of Calumet</i>	<i>23.7</i>	<i>Preliminary</i>	<i>Nearby</i>	<i>Nearby</i>	<i>Yes</i>	<i>High</i>	
	7	Multiple	15.5	No	No	No		Low	Existing Junkyard
	8	<i>City of Calumet</i>	<i>3.0</i>	<i>No</i>	<i>Nearby</i>	<i>Nearby</i>		<i>Medium</i>	
	9	Patricia & Darryll Leen	1.9	Yes	Nearby	Nearby		Medium	On Iron Formation
	10	<i>State of Minnesota</i>	<i>3.1</i>	<i>No</i>	<i>Nearby</i>	<i>Nearby</i>		<i>Low</i>	
	11	Brandon & Dean Apitz	65.1	No	No	No		Low	
	12	<i>City of Calumet</i>	<i>2.3</i>	<i>No</i>	<i>Nearby</i>	<i>Nearby</i>		<i>Medium</i>	
	13	Kris & Carey Anderson	13.4	No	No	No		Low	

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Developable Residential Properties in Nashwauk & Keewatin

Polygon #	Primary Owner Name	# of acres	Platted for Increased Densities?	Roads?	Utilities?	Potential Temporary Housing Site?	Potential/Interest for Permanent Housing?	Comments
1	<i>Tax Forfeit (County)</i>	178.9	No	No	No		Low	
2	<i>City of Nashwauk</i>	28.7	No	Nearby	Nearby		High	
3	US Steel Corp	919.0	No	No	No		Low	Now proposed as commercial
4	1st National Bank Building	75.2	No	Nearby	No	Yes	Temporary Only	
5	<i>City of Nashwauk</i>	21.2	No	Nearby	Nearby		Medium	
1	<i>City of Keewatin</i>	74.0	No	Nearby	No		High	
2	<i>City of Keewatin</i>	18.5	No	Yes	Yes		Low	
3	US Steel Corp	50.2	No	Nearby	Nearby		Medium	

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COMMUNITY INFRASTRUCTURE ASSESSMENT

Bovey

Bovey is part of the Trout Lake Sewer System. Bovey's sewage system is currently 20 years old. It is sometimes over capacity and the City occasionally has to transport solids to Grand Rapids. Expansion of the existing sewage system is estimated to cost \$800,000 to \$900,000. To assist in the expansion, the City has applied for a \$512,000 sewer/water Iron Range Resources (IRR) Community Infrastructure Grant.

The City has also requested \$256,000 from IRR for a \$3.512 million Highway 169 turnback project. This project would reconstruct the bypassed section of Highway 169, which still serves as the City's main street.

Calumet

A \$600,000 grant was requested from IRR's Community Infrastructure Grant Program with an estimated \$300,000 going towards sewer and water and the additional \$300,000 going to curbs, gutters, and streets in Calumet. This grant would be used towards infrastructure in the City's proposed new development.

The City is divided by Highway 169 and has stated concerns about dangers posed to pedestrians by an increase in industry-related traffic. That concern may significantly increase if the Highway is expanded to four-lanes.

Cohasset

The City of Cohasset has not expressed any concerns over its infrastructure. Its sewer system is generally new, adequate, and linked with Grand Rapids, which has adequate capacity. Previous studies have shown that there are concerns¹ regarding the high number of private sewer treatment systems (septics) in the community, particularly for those on lakes and the Mississippi Rivers system, as failing septics on water bodies are a pollution source.

Coleraine

The City's sewer system is part of the Trout Lake district. Capacity is limited for the sewer plant and improvements are needed.

Deer River

One of the capital improvements discussed in City documents is the improvement of the waterline infrastructure at White Oak Learning Center. The water pressure available would not be sufficient in the event of an emergency. They also want to improve the sewers and water throughout the City.

¹ See www.arrowheadplanning.org/itascawastewater

Grand Rapids

Grand Rapids notes several road improvements that would enhance their community, but feels that its sewer and water systems are in good condition. Road improvements include access changes near the Children's Museum and another is continued improvements to 7th Avenue which is a route with increasing traffic amounts serving the southeast part of the community. The Seventh Avenue project has a cost of \$4,305,311. The City is seeking both IRR and Federal transportation funds for the project.

Keewatin

Keewatin updated their public utility system in 1998 and it is now adequate to serve the current population. The City has a repair-as-you-go philosophy to the streets and sidewalks. The City of Keewatin has identified water and sewer improvements needed that total \$866,475. A request has been made to IRR for \$350,000. In order to run water and sewer to the City owned 74-acre parcel water and sewer lines will have to be expanded.

La Prairie

The property the City recently has (or will have) annexed are on individual wells and septic systems. Extending City utilities may not be feasible for the northernmost properties, but the City would like to provide water and sewer to most of the other potential development areas. The City's sewage is treated by the City of Grand Rapids system and has capacity for growth.

Marble

The City's major infrastructure concerns are regarding water lines that are 80-90 years old. According to City leaders, many of the trenches for these lines were dug by hand and many of the lines meander back and forth underground as they weave around boulders and other obstacles. The City has also indicated that a water tower would serve as a major upgrade to their water system.

Nashwauk

The City of Nashwauk's infrastructure needs to be addressed, especially in light of the Minnesota Steel Plant locating in the City. Particularly, much of the City's sanitary sewer is in need of improvements. The City has requested \$400,000 from IRR for needed sanitary improvements that will cost a total of \$1,393,275. The City of Nashwauk also submitted a grant application to IRR requesting \$306,850 for the infrastructure of a \$3,006,850 assisted living facility. Additionally, the City submitted four \$350,000 IRR grant applications, all for infrastructure, in order to support a \$1,689,800 industrial park project, an \$8,918,850 housing project, a \$790,000 Central Industrial Park project, and the \$2.651 million water and sewer needs of the Minnesota Steel project (\$250,000 is already approved for this project). Capacity at the sewer treatment facility for these projects does exist.

Taconite

The City of Taconite has a grant application in to IRR for \$350,000 to assist with \$1,489,800 in needed water improvements.

TRUNK HIGHWAY 169 PROFILE

History

Trunk Highway (TH) 169 between Grand Rapids and Virginia, Minnesota is also known as the Cross Range Expressway. Serving Minnesota's Iron Range, TH 169 is also a major north to south route that connects the Range to the Twin Cities. It serves as a regional corridor in northeast Minnesota that transports people, supports industry, and enhances local, regional and state economies.

Construction of the expressway began in the 1960's with the vision of a 60 mile, four-lane divided highway connecting all of the communities of the Mesabi Iron Range. Congressman Oberstar and Governor Perpich observed that the economic and social development of the Mesabi Iron Range could only be realized if the area were connected to the Interstate Highway System. Their plan was to have such a highway begin in Grand Rapids and link to the U.S. Highway 53 Expressway in Virginia. The Iron Range would then be linked to the rest of the country by a modern four lane highway through the merging of the U.S Highway 53 Expressway into Interstate Highway 35 via the construction of Minnesota Highway 33.

Today just over nine miles of the roadway remains as only two lanes. Located between Bovey and Pengilly, the final remaining section is a significant issue to the communities of Itasca County who feel its completion will give the Minnesota Iron Range a direct modern highway connection with the nation. Completing the remaining nine miles of the Cross Range Expressway, in today's numbers, is currently estimated to cost \$60 million and is dependent upon special High Priority Congressional Funding.

Updated Conditions (from Mn/DOT District One Long Range Plan)

The TH 169 corridor is designated as an expansion corridor from Bovey to Pengilly and a preservation corridor on the four-lane segments. The road is functionally classified as a principal arterial. Mn/DOT defines arterials as "road ways that connect major interstate corridors, regions, urban places and major traffic generators at a high level of service."

The average daily traffic between Grand Rapids and Nashwauk varies from 11,500 to 6,300. The crash rates range from .8 to 1.4, which is higher than State and District averages (.4 and .5 respectively).

Most Recent Traffic Counts and Crash Rates (from Mn/DOT)

Location	ADT	Crash Rate
Grand Rapids to Bovey	11,500	0.8
Bovey to Pengilly*	6,300	1.1
Pengilly to Nashwauk	6,400	1.4

*Two-Lane Location

There are three Mn/DOT identified segments within the Itasca Readiness Assessment area.

Segment 169D

From Grand Rapids to Bovey, TH 169 is a four-lane urban and rural highway. A short urban section in Grand Rapids (TH 2 to 9th Avenue East) is under construction and is being reconstructed to a five lane section. The four-lane section from Coleraine past Bovey to CSAH 15 (Bovey Bypass) was recently opened to traffic and will be completed in FY 2008. The section from 9th Avenue East to Coleraine is programmed for a mill and overlay in 2009.

Segment 169E

From Bovey to Pengilly, TH 169 is a rural two-lane roadway, the only remaining two-lane section between Grand Rapids and Virginia (the “Cross-Range Expressway”). Mn/DOT has received many requests from the public to expand Segment 169E to four lanes. Expansion to four lanes from Bovey to Pengilly is dependent on receiving special earmarked federal funding. A pavement reclamation project on the two-lane section from CSAH 15 (Bovey) to TH 65 (Pengilly) is programmed for 2010.

Segment 169F

This four-lane segment of highway is from Pengilly to Virginia. Pavement improvement projects are planned on this segment in the first planning period (2008 to 2014). A pavement improvement project from TH 65 (Pengilly) to TH 73 (Hibbing) is a candidate project for 2012.

Current Expansion Scenario

Mn/DOT has split the remaining expansion into several phases. These phases are currently estimated to cost \$59.3 million (2008 dollars). Due to funding priorities at this time, Mn/DOT does not plan to construct these phases until at least 2024. That timeframe could be moved up if additional funds are identified and designated to Trunk Highway 169.

Major Project Potential Impacts

Each of the major projects being proposed for the western part of the Mesabi Iron Range has had to complete some level of environmental documentation. Often, transportation impacts are a part of the environmental examination. Concerns raised in relation to projects include:

- Congestion of the two lane portion of TH 169 due to left turns causing all traffic behind to come to a stop
- Potential damage to roads by heavy loads
- Speeding and unsafe driving practices
- Increased rail traffic could cause additional crossing challenges limiting turning opportunities, thus obstructing traffic, at points where roads run parallel to tracks

While some of the environmental documents discuss TH 169 in relationship to a specific industrial project, an examination of the cumulative impacts has never been studied by a project proposer or by Mn/DOT. The Itasca County Major Project Readiness Assessment Committee is concerned that, due to increased traffic, the two-lane section of the highway may not meet the needs of its users when the industrial projects are being constructed and when they are operating.

Forecast Traffic Volumes on TH 169 & CSAH 7: With Excelsior/Mesaba Energy West Range Project - 2008 & 2009

Year	TH 169		CSAH 7		New CSAH 7	
	West of CSAH 7	East of CSAH 7	North of New CSAH 7	South of New CSAH7	West of Excelsior/Mesaba Energy Plant	East of Excelsior/Mesaba Energy Plant
2000	5,800	5,500	1,100	1,100	0	0
2002	6,500	5,800	n/a	n/a	0	0
2004	7,200	5,700	n/a	n/a	0	0
Forecast 2008 Build	8,900	7,100	1,500	470	1,250	3,100
Forecast 2028 Build	10,500	8,400	1,700	460	1,250	1,550

Source: Excelsior Energy

Specific impacts to TH 169 by Minnesota Steel are not as clear. The Final SDD identified traffic-related issues as not likely to result in substantial impacts and, therefore, traffic was not identified as requiring detailed analysis in the EIS. The traffic operations memorandum (SEH, January 2005) stated the only needed improvements to TH 169 is the construction of right and left turn lanes at the new access road intersection. The document does state that the new access road

will have traffic volumes of 1,800 vehicles per day in 2029. It can be inferred that nearly all of those 1,800 vehicles will directly feed onto TH 169.

Community Support

The communities on the Expressway have long supported its completion as a four-lane highway. Many again passed resolutions of support in 2007. Other entities, such as Chambers of Commerce, have also been supportive. Resolutions have been received from:

- Itasca Economic Development Corporation (IEDC)
- The City of Cohasset
- The City of Calumet
- The City of Grand Rapids
- The City of La Prairie
- The City of Nashwauk
- Trout Lake Township
- Nashwauk Township
- Hibbing Area Chamber of Commerce
- Grand Rapids Area Chamber of Commerce
- City of Keewatin
- City of Marble

More resolutions are expected.

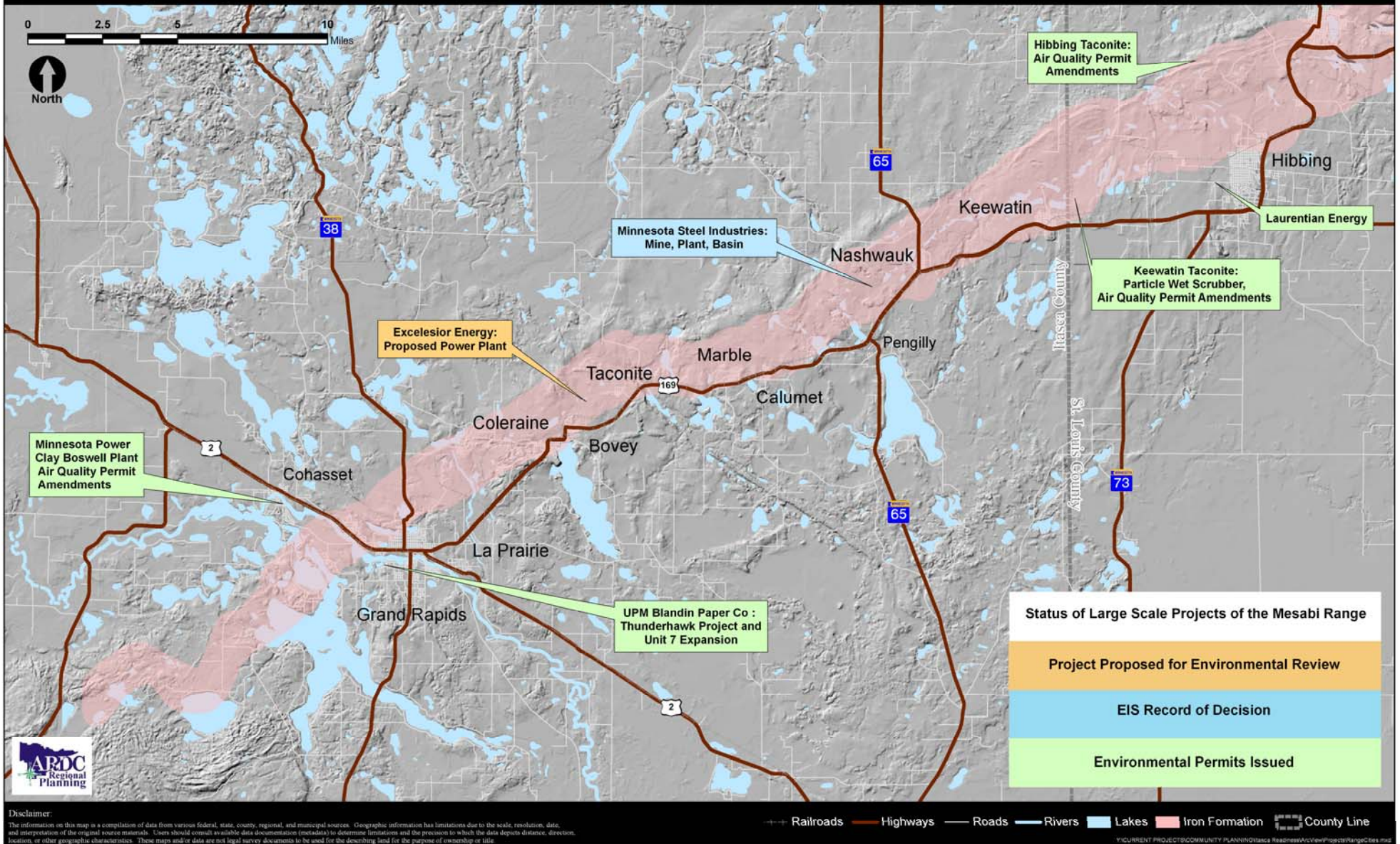
Proposed course of action

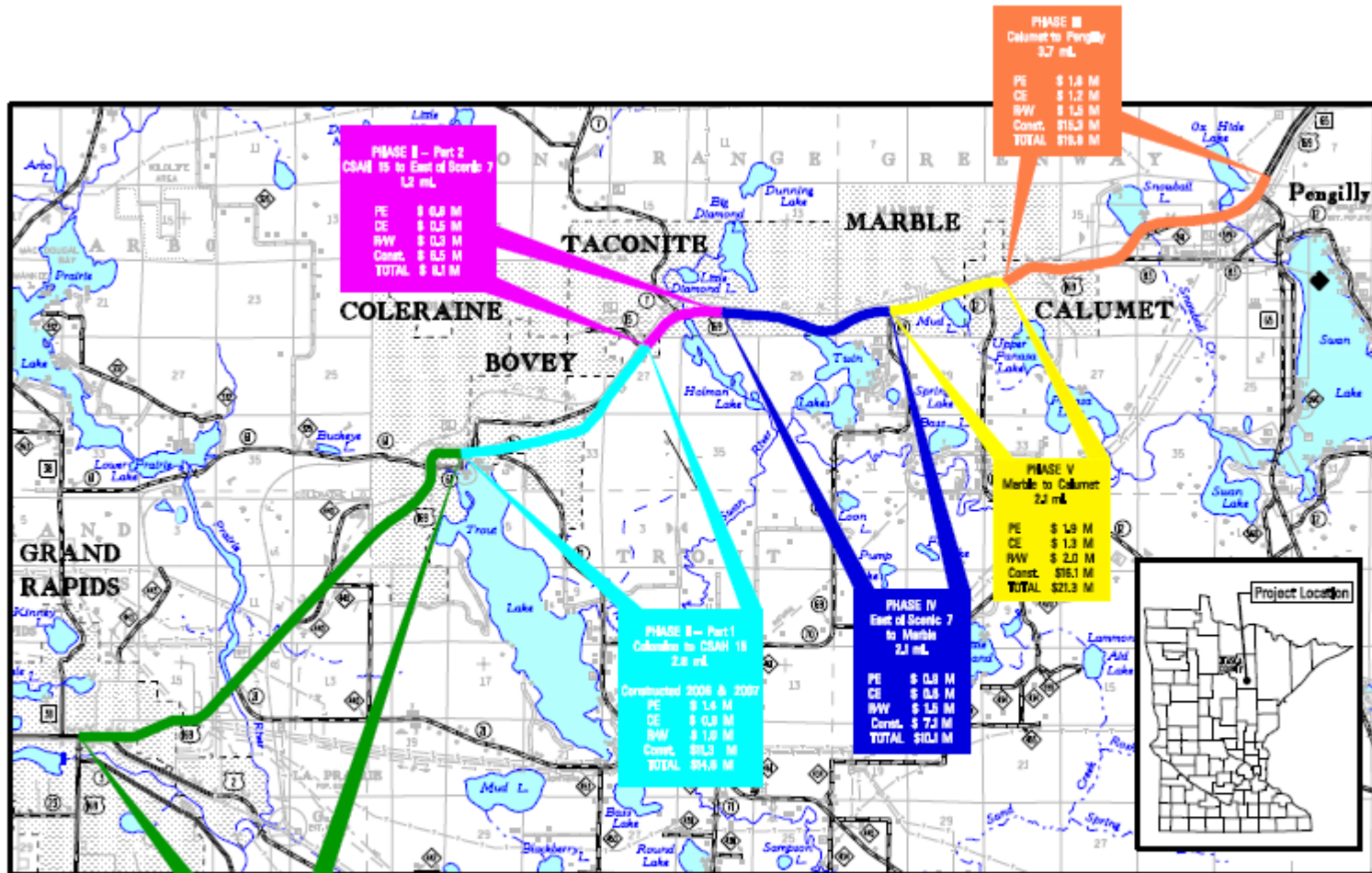
The Itasca County Major Project Readiness Assessment Committee met with Mn/DOT District One Officials to discuss their concerns on October 24, 2007 in Marble. The Committee expressed their ideas regarding the roadway and Mn/DOT explained its funding and prioritization process and how it has resulted in the four-lane completion falling so far into the future. At that meeting, Peter Makowski, assistant to Congressman James Oberstar, asked the Readiness Committee to develop a packet of information about the situation. Mr. Makowski said he would share it with Mr. Oberstar, who is the Chair of the House Transportation Committee. He stated that Mr. Oberstar would then meet with Mn/DOT to discuss the project.

The Readiness Committee will continue to monitor this process and will continue to support the completion of the Expressway.

The following maps show the major projects occurring on the Iron Range and the current planned phases of the Expressway expansion.

Mesabi Iron Range





PHASE II - Part 2
 CSAH 15 to East of Road 7
 1.2 mi.
 PE \$ 0.8 M
 CE \$ 0.5 M
 RW \$ 0.9 M
 Const. \$ 0.5 M
TOTAL \$ 3.7 M

PHASE III
 Calumet to Pengilly
 3.7 mi.
 PE \$ 1.8 M
 CE \$ 1.2 M
 RW \$ 1.5 M
 Const. \$15.3 M
TOTAL \$19.8 M

PHASE V
 Marble to Calumet
 2.2 mi.
 PE \$ 1.8 M
 CE \$ 1.3 M
 RW \$ 2.0 M
 Const. \$16.1 M
TOTAL \$21.3 M

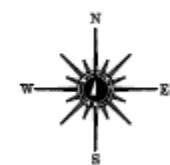
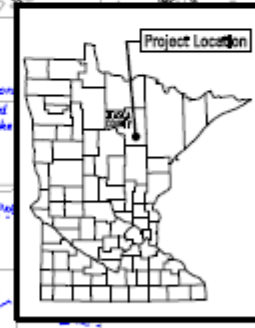
PHASE II - Part 1
 Calumet to CSAH 15
 2.6 mi.
 Constructed 2006 & 2007
 PE \$ 1.4 M
 CE \$ 0.9 M
 RW \$ 1.8 M
 Const. \$11.3 M
TOTAL \$15.4 M

PHASE IV
 East of Road 7
 to Marble
 2.1 mi.
 PE \$ 0.8 M
 CE \$ 0.5 M
 RW \$ 1.5 M
 Const. \$ 7.2 M
TOTAL \$10.0 M

PHASE I
 Grand Rapids to Coleraine
 6.7 mi.
 Constructed 1994
\$10.0 M

FUNDED	
Phase I	\$ 10.0 M
Phase II Part 1	\$ 14.6 M
TOTAL	\$ 24.6 M

UNFUNDED	
Phase II Part 2	\$ 3.7 M
Phase III	\$ 19.8 M
Phase IV	\$ 10.1 M
Phase V	\$ 21.3 M
TOTAL	\$ 54.9 M



- LEGEND**
- █ Phase I (previously constructed)
 - █ Phase II (Part 1) (Under Construction)
 - █ Phase II (Part 2)
 - █ Phase III
 - █ Phase IV
 - █ Phase V

CROSS-RANGE EXPRESSWAY GRAND RAPIDS TO PENGILLY

2008 Dollars

Oct. 1, 2007

