

RANGE READINESS INITIATIVE

Major Activities Update

Project Representatives

June 10, 2008

The Range Readiness Initiative (RRI) was launched in August 2007. The first Projects Team meeting was held in late October and we've been ramping up and working on various needs and opportunities since that time. At our last meeting together, the team highlighted several priorities you felt would be helpful to your project development efforts. Three major priorities included being advocates and communicating support for the projects and their contributions to the Iron Range; addressing workforce development needs, short and long-term; considering future development constraints including carbon and other environmental issues from a regional perspective. Since that meeting we have continued to ramp up and take action on a number of initiatives. The following is a brief summary:

Communication - Advocacy and Awareness

Range Readiness Initiative Beta Web Site has been developed and will be formally launched as a key information portal and tool in concert with a media event planned for June 24th in Grand Rapids. This event will officially rollout the RRI efforts, introduce the web site and kickoff a daylong discussion on housing and the results of a Housing Market Assessment just completed. See attached:

- Home page

- Media Kit with excerpts on each individual large scale projects

- Housing event invitation

State/Regional Opinion Polling was conducted by private members of the Arrowhead Growth Alliance. The RRI Communications Team will now formulate a Communications Strategy to target key messages and build awareness and support for large scale projects and their importance to the region.

Formal response in rebuttal to the Sierra Club assessment report on the economic impacts of mining prepared by Dr. Powers of Montana State University. The University of Minnesota Duluth and others members of the RRI Strategy Team responded in several venues in cooperation with our mining trade associations.

Workforce Development

Conducting meeting with individual companies to determine your workforce skill needs and timing, and sharing with you our major efforts to address both immediate and long term workforce development needs.

Hired the Applied Learning Institute Coordinator, Mark Adams, and are implementing a \$1 million annually funded initiative to renew k-14 career and technical education capabilities throughout Northeast Minnesota.

Conducted meetings with the Iron Range trade unions to assess temporary workforce needs

and assistance needs.

Housing

RRI completed a regional housing Market Assessment for the Highway 169 Corridor to address both temporary and permanent workforce housing needs on both a regional and sub-regional level. Housing action plans are now being developed for five defined sub-regions based on these results. This supply/demand model is unlike any other developed nationally and will be updated every six months as projects evolve and more information is known on changing needs.

Housing Expeditor Team of three housing professionals was hired in February and has been meeting with communities and developers, assessing housing sites and infrastructure needs and is working on several projects for temporary and workforce housing needs.

June 24th a Housing Event will be held in Grand Rapids to share the Market Assessment results with key public and private interests, hear from other areas of the country that have dealt with major project induced growth, and have a conversation about how we continue to plan and prepare for potential growth on the Iron Range.

Community Planning and Preparation

Community Readiness Assessments have been completed for participating communities in Itasca and soon to be completed in St. Louis County.

Housing and business development sites have been identified and mapped, and infrastructure needs defined.

Project applications have been prepared and submitted to Iron Range Resources for Community Public Infrastructure Grants to support housing and business development projects across the Iron Range with demolition matching funds also available to clean up dilapidated buildings and sites for redevelopment purposes.

A workshop was held by Iron Range Resources in late May to bring regional, state and federal funding sources to the area to share information on available resources to support workforce, housing, infrastructure and business and recreation development.

Business Opportunities Development

Currently interviewing 50 regional manufacturing companies to determine capacity and interest in addressing future supplier needs for our existing and proposed projects.

Identifying potential future by-products and possible value added business development opportunities.

Intend to match up local suppliers with your future procurement needs to support our local businesses and meet your support needs where appropriate. Some type of informational network is envisioned if possible.