

420 NORTH POKEGAMA AVENUE, GRAND RAPIDS, MINNESOTA 55744-2662

May 22, 2023

Minnesota Executive Council Minnesota Department of Administration 50 Sherburne Avenue St. Paul, MN 55155

## Subject: City of Grand Rapids support of the completion and start-up of the Mesabi Metallics 7M TPA Pellet Plant in Nashwauk, MN

Governor Walz, Lieutenant Governor Flanagan, Attorney General Ellison, State Auditor Blaha, and Secretary of State Simon,

As the elected officials representing the residents of the City of Grand Rapids, we write to you today to urge this body to please pause on the decision regarding the state-owned mineral leases located in Itasca County. We believe that there are enough resources for the successful completion and operation of the Mesabi Metallics project, located here in Itasca County, as well as the resources needed for Cleveland Cliffs and Hibbing Taconite. A split lease decision would be a win-win for our residents, Itasca County, and our friends and neighbors in St. Louis County.

We understand first-hand the harms of the starts and stops of the Mesabi Metallics project. We have felt them directly in our communities both by our residents, our businesses, and our own budgets. We have also felt the positives of this project too. When the project was in peak construction with 350 workers on site, our local economies were thriving, and we were able to make significant public infrastructure investments with the increase in revenue. When everything abruptly stopped in 2017, it was devastating. The bankruptcy of the parent company and the impact here on the Range cannot be diminished, but we know that this market is volatile, and bankruptcies are not uncommon.

It is the charge of the Executive Council to award public leases to projects that are in the best interest of the state. We ask this body closely to evaluate both Mesabi and Cleveland Cliffs proposals and consider performance-based lease awards, to ensure our community begins to see the benefits we have been promised for almost two decades. In that vein, our community cannot idly look at the past, we must look at the present commitments and evidence of a project that is ramping up with union contractors already working on site and a completion date of 2026. We must look towards the future, to push for an investment and operation right here in Itasca County. An investment that will provide desperately needed living wage jobs, resources for our schools, customers to our businesses, and cutting-edge technology that will reduce the carbon impact of the industry that our communities were built on a century ago.

We appreciate this body's evaluation of the many paths forward for both Mesabi Metallics and Cleveland Cliffs. We fully believe there is a solution that provides success for all parties and will benefit our residents and businesses to their fullest capacity.  Sincerely,
Dale Christy Mayor