Comprehensive Plan
City of Virginia, Minnesota

December 1997
The Queen City

Her foundation was laid millennia ago under a shallow sea;
Deep in the earth her future was fused,
the product of intense heat and pressure;
To be partially exposed by four incursions
of crushing snow and ice
but veiled as a prize beneath a mantle of green;
It was inevitable that she would occupy this space and time
for she was born of wood and iron;
To grow and reign as the Queen,
the preeminent center for trade and commerce
on the Great Mesabi;

VIRGINIA

Fred Hoisington
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The challenge will be to make the City a more liveable community; to make it a magnet for residents, tourists and employers; to build upon its strengths while diminishing its weaknesses; to strengthen the already existing base upon which a new future can be built; to seek independence from state subsidies; to reinvent government; to redirect resources to the City's future, its children.

Neither jobs nor residents will be attracted to Virginia unless it is perceived to be a desirable place to live and do business. There are simply too many other choices for businesses and those cities that provide the best environments will certainly out-compete those who do not.

Does the City of Virginia have a base upon which to build a future that is not entirely dependent on the continuation of mining? You bet! It has an excellent public school system, including the Mesabi Community College, that will continue to attract students from outside the district and quality education will be absolutely essential to attracting residents to Virginia.

It has the Virginia Regional Medical Center which will grow in importance as a magnet for essential healthcare services. It has excellent neighborhoods, though some erosion is evident, which will need improvement to provide housing opportunities for both existing and prospective residents. It is also the regional center for retail activity, attributable to an historic downtown and the Thunderbird Mall.

It has an excellent natural resource base, especially the City's lakes, that can serve as a magnet for residents and tourists alike. And, it has a strong heritage as embodied in a rich supply of historical buildings that give the City a unique and appealing character.

The vision, therefore, must include a re-emphasis on youth; a strong public school system that reaches out to the regional community; a viable healthcare delivery system that maximizes cooperation and efficiency while serving a large captive populous; appealing neighborhoods that provide amenities and the full range of housing opportunities; a strong retail base that serves as a magnet for a population many times the size of Virginia's; protection, use and enhancement of the area's rich natural resource base, especially the City's lakes; the preservation of the City's unique heritage; the retention of existing businesses, including mining; the creation of opportunities for employment growth; and the restructuring of public services to get the most value for the cost for Virginia area residents.

*These are the building blocks for a vision for the future city. These are the themes that this plan is intended to achieve.*
**Authority To Plan.** The City is authorized to prepare and implement a comprehensive plan pursuant to Chapter 462 of Minnesota Statutes, Municipal Planning and Development. The statute enables a municipality to carry on comprehensive municipal planning activities for guiding the future development and improvement of the municipality. It further enables the City to prepare, adopt and amend a comprehensive municipal plan and implement such plan by ordinance and other official actions. The act authorizes creation of a planning agency whose responsibility it is to prepare the comprehensive municipal plan. The City Council is required to adopt the plan.

**Purpose Of The Comprehensive Plan.** The purpose of the comprehensive plan is to identify problems, opportunities, issues and needs and organize public policy to deal with them in a manner that makes the best and most appropriate use of City resources.

The comprehensive plan is no more or less than a statement of public policy, based on a common vision of where the City wants to go and how it intends to get there. It can be as broad or specific as the City may wish to make it. The comprehensive plan is intended to be a general plan consisting of policies, objectives, concepts and relationships. It is intended to be flexible, to serve as a frame of reference for future development and investment decisions. If interpreted too literally, it serves no purpose other than that of a zoning ordinance. If interpreted too generally, its value as a guide will be compromised.

It should be very clear that a comprehensive plan is substantively different than a zoning ordinance. It is futuristic, positive, dynamic and comprehensive as it deals with land use, transportation, community facilities, environmental, economic development and public spending policies. It can be anything that the City wishes it to be. On the other hand, zoning is static, narrow (primarily dealing with land use), negative and has no time dimension. Zoning portrays only what is while the comprehensive plan illustrates a vision for what can be.

The comprehensive plan is not inviolate. Circumstances change and the plan must change periodically to remain viable. It will, therefore, need to be reevaluated periodically and amended occasionally. Whenever it is proposed to be amended, the burden of proof should be the responsibility of the proposer, whether a private individual or the City, as to its potential impacts on the environment, the neighborhood, the City and public costs and services. Where the public health and welfare is served as well by an alternative approach, plan amendments may be warranted. Generally speaking, comprehensive plan amendments, where warranted, are made in concert with zoning changes.
Regional setting. The City of Virginia is located near the east end of the Mesabi Iron Range in northern Minnesota. It has, historically, been one of the three largest cities on the Iron Range, the others being Hibbing and Grand Rapids. Virginia and Grand Rapids anchor the Iron Range which reached a population peak of over 121,000 people in 1980.

The City of Virginia is located approximately 60 miles north of Duluth in the heart of the Arrowhead Region very near the geographical center of the North American Continent. It is located southeasterly of the Boundary Waters Canoe Area/Quetico Provincial Park and truly serves as the gateway to northern Minnesota due to its location at the confluence of Highways 169 and 53.

Located within the rather sparsely settled Northwoods Region, which includes the Arrowhead, it is very near the edge of the American Manufacturing Belt, as it was termed in the 1950s, the Rust Belt in contemporary times. It is also immediately adjacent to the West Region which comprises substantial areas of semi-arid plains and farms which are tributary to the upper Mississippi and Missouri river basins.

The Northwoods Region is heavily wooded and includes the Chippewa and Superior National Forests. The region is also abundantly endowed with thousands of lakes which make it particularly attractive as a tourist attraction.

History. The region’s earliest economy was focused on fur trading during the 1700s. During this period the rivers, including the St. Louis, the Mississippi and their tributaries, served as early highways.

Immediately following the Civil War, gold was discovered at Lake Vermilion and thousands of war veterans rushed to the region only to find that gold was largely a myth. In 1884, the first iron ore was shipped from Soudan to Two Harbors on Lake Superior.

In 1889, the first mining camp on the Mesabi Range was established at Mountain Iron. The first mine consisted of a shaft. Thereafter open pit mining created a virtual population explosion with new communities springing up overnight.

Labor problems plagued the iron ore industry primarily attributable to technological improvements. At the same time that volume was increasing, the work force was decreased. The first strike occurred in 1907. In 1916, a more serious and violent strike resulted in several deaths. In 1939, the newly founded Congress of Industrial Organization (CIO) unionized the majority of the mining industry. The industry had starts and stops until the 1960s when the taconite industry evolved. Finnish laborers far outnumbered any other nationality in mine employment during the first decade of the century, however, a great majority of them quit mining and turned to agriculture due to the strikes of 1907 and 1916.
On June 23, 1892, the Duluth, Mesaba and Northern Railway Corporation was formed to build a line from Duluth to Mountain Iron. The first train arrived in Virginia on the afternoon of December 7, 1892. Settlers gained access to the City via the Mesaba Trail prior to the introduction of the railroad.

In 1892, the Township of Virginia was platted. Owners of the Virginia Town site were O. D. Kinney, A. E. Humphreys, D. T. Adams and others who formed the Virginia Improvement Company. On July 12, 1892, 160 acres of land were platted as part of the Mesaba Mountain Township and the Village of Virginia was incorporated in 1892. Also, on September 1, 1892, the Virginia City Light and Water Company was organized.

The City was a boom town going from a population of approximately 1,000 in 1895 to 5,000 in 1900. It was completely destroyed by two fires, one in 1893 and the other in 1900. The population dropped precipitously from 5,000 to 2,932 after the 1900 fire. In January of 1895, by a vote of 166 to 2 it was incorporated as a City, the first City on the Mesabi Range. Officially, it was incorporated as a City on February 2, 1895 at 5:00 p.m. Lumbering and mining activities were the reason for Virginia’s early growth.

After the June 1900 fire, Virginia experienced vigorous and rapid growth. Four railroads and 27 daily passenger trains made Virginia the Queen City of the Iron Range.

Virginia was one of the largest settlements on the Range during the first decade of the century. Largely because of its second disastrous fire in 1900, Virginia was third in size behind Ely and Tower-Soudan. By 1905, however, Virginia regained its prominence as the largest urban center in the region and the most important lumber center. The Virginia/Bailey’s Lumber Company employed 900 people at the mill and twice that number at its various logging sites. During the second decade of the century, Virginia experienced its greatest rate of growth as did Hibbing. During that decade, Hibbing became the principal ore producing center on the Range. It also passed Virginia in size. These cities established themselves as the anchors of the Range economy with populations of approximately 15,000 and 14,000 respectively by 1920. They were twice the size of the next largest towns of Chisolm and Eveleth.

By 1912, the City had a library, built at a cost of $60,000, two large, modern and well equipped hospitals and a $50,000 Federal Post Office building. The City also had 1.5 miles of sanitary and 2.5 miles of storm sewer and miles of paved streets and sidewalks plus 5,000 young shade trees. By 1920, the population was approximately 15,000. It had exploded in population during slightly more than the first decade of the century. Streetcars were a popular mode of transportation in Virginia and across the Range. The original four corners of Virginia was located at Chestnut Street and Fifth Avenue.
The first lumber mills were Owens and McGruer, and Finlayson, both destroyed by the fire of 1893. These were followed by the W. T. Bailey Mill which was built on the northeastern end of Virginia Lake and produced most of the lumber used in rebuilding Virginia after the 1900 fire. Essentially the logging/milling industry ended on or about October 9, 1929 because there was a lack of raw material.

The 1930s were a very difficult time on the Range attributable in large part to the depression. Iron ore production dropped from 45 million tons during the late '20s to approximately two million tons in 1932. By 1940 iron ore production regained its late '20s levels. The City's population continued, however, to grow only modestly during the 1940s.

The Range grew rather dramatically during the 1950s. It reached a population of approximately 121,000, representing a 22.6% gain during the decade. Virginia also experienced a substantial increase in population, regaining 1920 levels.

In 1953, attributable to the Korean War, an all-time record production of iron ore occurred when 77.6 million tons were shipped. After the war production dropped and, in 1960, only 53.2 million tons were shipped. In 1992, approximately 40 tons of taconite were produced.

Reserve Mining Company completed the first commercial taconite processing plant in 1956 with mining and crushing operations at Babbett and pulverizing, concentrating and pelletizing plants and shipping facilities at Silver Bay. The Erie Mining company built a giant taconite plant at Hoyt Lakes. It was followed by the Hanna Mining Company plans to build two plants, one near Nashwauk and one near Keewatin. The Jones and Laughlin Steel Corporation built a plant on the eastern Mesabi Range between Biwabik and McKinley.

On November 3, 1964, the State of Minnesota voted on the Taconite Amendment guaranteeing that taxes would not be raised for 25 years to a higher level than other manufacturing firms in Minnesota pay. It passed with an overwhelming majority and early in 1964, the Eveleth Taconite Company began construction of a plant at Forbes. U. S. Steel Corporation's Pilotac Plant at Mountain Iron began taconite shipments in 1953. The large-scale Minntac Plant began construction immediately after the amendment was passed.

Since 1960, the population of the City of Virginia has declined in direct proportion to declines in mining employment. By 1980, overall mining employment on the Range had shrunk to 12,000 and by 1990 to between 5,000 and 6,000.

The City of Virginia continues to struggle with destiny. It serves as the region's primary shopping center but continues to lose population and manufacturing employees. It has a wealth of its own environmental and historical resources and is located in the heart of vacation land but attracts relatively few tourists. How the City addresses these issues will determine its future.
Sources:

The Virginia Story, Historical Souvenir Booklet of the Virginia Centennial Celebration, July 14-17, 1949.


Population and Settlement Characteristics, Regional Planning Area, Mesabi and Vermilion Ranges, MN.
Population. Virginia's first census in 1900 reported a population of 2,962. Over the next ten years, Virginia's population more than tripled. Much of this growth stemmed from substantial growth in the iron ore, timber and related industries. Growth leveled off in the 1920s, 30s and 40s but Virginia and St. Louis County both experienced a period of expansion again in the 1950s (see Figure 2).

Population for both the City and County peaked in 1960 and has declined over the past three decades. Since 1960, Virginia's population has dropped by almost 33%. The population of St. Louis County declined by 14% during the same period.

Figure 2
Population Trends 1900 to 1990
City of Virginia and St. Louis County

Households. The number of households also declined, but at a much lower rate than population [see Table 1]. Total households dropped from 4,635 in 1960 to 4,338 in 1990 [a 6% decrease]. Households averaged 2.97 persons in 1960 and 2.09 persons per household in 1990.

Table 1
Household Characteristics 1960 to 1990
City of Virginia

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL POPULATION</th>
<th>GROUP 1 HOUSING</th>
<th>POPULATION IN HOUSEHOLDS</th>
<th>NUMBER OF HOUSEHOLDS</th>
<th>HOUSEHOLDS SIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>14,034</td>
<td>259</td>
<td>13,775</td>
<td>4,635</td>
<td>2.97</td>
</tr>
<tr>
<td>1970</td>
<td>12,450</td>
<td>241</td>
<td>12,209</td>
<td>4,532</td>
<td>2.69</td>
</tr>
<tr>
<td>1980</td>
<td>11,056</td>
<td>283</td>
<td>10,773</td>
<td>4,773</td>
<td>2.26</td>
</tr>
<tr>
<td>1990</td>
<td>9,410</td>
<td>335</td>
<td>9,075</td>
<td>4,338</td>
<td>2.09</td>
</tr>
</tbody>
</table>

1 Congregate housing or nursing homes

Source: U.S. Census Bureau
The decline in households primarily occurred in "married couple families." The number of married couple families decreased substantially by 24% in the 10 years between 1980 and 1990 (see Figure 3). In this same time period, single parent households remained fairly constant and non-family households increased by approximately 10%.

**Figure 3**

*Household Composition 1980 to 1990*

*City of Virginia*

![Bar chart showing household composition change from 1980 to 1990.](image)

**Age Trends and Distribution.** Trends in the age of Virginia’s population are important to the future of the City. Figure 4 illustrates several key trends:

- The median age of Virginia's population rose in a relatively consistent trend from 1950 to 1990. Median age represents the age above and below which 50% of the population falls.

- Virginia experienced little of the "baby boom." The median age for the State and St. Louis County dropped from 1950 to 1970. The City’s median age rose during the same period.

- The median age of Virginia's population has been consistently higher than St. Louis County and the State of Minnesota since 1950.

This rise in median age is common throughout the nation due to longer life spans. It is even more pronounced in out-state regions due to young people leaving for metropolitan areas.
The age distribution of Virginia's population has shifted since 1950. Table 2 contains the distribution of the population by age group from 1950 to 1990. The largest changes occurred in the under five and 65-84 age groups. The percent of the population under age five fell by one-half from 1950 to 1990. During this period, the 65-84 age group increased from 10.7% to 23.3%.

Table 2
Age Distribution Trends 1950 to 1990
City of Virginia

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5</td>
<td>1,283</td>
<td>10.3</td>
<td>1,492</td>
<td>10.6</td>
<td>748</td>
</tr>
<tr>
<td>5-17</td>
<td>2,171</td>
<td>17.4</td>
<td>3,284</td>
<td>23.4</td>
<td>2,982</td>
</tr>
<tr>
<td>18-24</td>
<td>966</td>
<td>7.7</td>
<td>1,006</td>
<td>7.2</td>
<td>1,265</td>
</tr>
<tr>
<td>25-44</td>
<td>3,763</td>
<td>30.1</td>
<td>3,274</td>
<td>23.3</td>
<td>2,232</td>
</tr>
<tr>
<td>45-54</td>
<td>1,409</td>
<td>11.3</td>
<td>1,836</td>
<td>13.1</td>
<td>1,704</td>
</tr>
<tr>
<td>55-64</td>
<td>1,518</td>
<td>12.2</td>
<td>1,270</td>
<td>9.0</td>
<td>1,625</td>
</tr>
<tr>
<td>65-84</td>
<td>1,331</td>
<td>10.7</td>
<td>1,783</td>
<td>12.7</td>
<td>1,712</td>
</tr>
<tr>
<td>85+</td>
<td>45</td>
<td>0.4</td>
<td>89</td>
<td>0.6</td>
<td>182</td>
</tr>
</tbody>
</table>

TOTALS  12,486  100.1%  14,034  99.9%  12,450 100.1% 11,056 100.0% 9,410 100.0%

Source: U.S. Census Bureau

Table 3 compares the age distribution of Virginia's population with St. Louis County and the State of Minnesota. More of the City's population falls into older age groups than in St. Louis County or the State as a whole.
Table 3  
Age Distribution - 1990

<table>
<thead>
<tr>
<th>Age Group</th>
<th>VIRGINIA</th>
<th>ST. LOUIS COUNTY</th>
<th>MINNESOTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5</td>
<td>493</td>
<td>12,185</td>
<td>336,800</td>
</tr>
<tr>
<td>5-17</td>
<td>1,473</td>
<td>36,136</td>
<td>831,269</td>
</tr>
<tr>
<td>18-24</td>
<td>680</td>
<td>20,176</td>
<td>441,885</td>
</tr>
<tr>
<td>25-44</td>
<td>2,531</td>
<td>58,461</td>
<td>1,445,465</td>
</tr>
<tr>
<td>45-54</td>
<td>866</td>
<td>19,541</td>
<td>428,460</td>
</tr>
<tr>
<td>55-64</td>
<td>935</td>
<td>18,227</td>
<td>344,286</td>
</tr>
<tr>
<td>65-84</td>
<td>2,192</td>
<td>29,956</td>
<td>478,099</td>
</tr>
<tr>
<td>85+</td>
<td>240</td>
<td>3,511</td>
<td>68,835</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>9,410</strong></td>
<td><strong>198,213</strong></td>
<td><strong>4,375,099</strong></td>
</tr>
</tbody>
</table>

Source: 1990 Census

Figure 5  
Population Under 5 and Over 65 1950 to 1990

Education. Of persons 25 years and over in Virginia, 78.8% of them are high school graduates and 16.3% hold a bachelor's degree or higher. These figures are somewhat lower than for St. Louis County and the State of Minnesota (see Table 4).
Table 4
Educational Attainment
City of Virginia

<table>
<thead>
<tr>
<th>PERSONS 25 and Over</th>
<th>VIRGINIA</th>
<th>ST. LOUIS COUNTY</th>
<th>MINNESOTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>No High school Diploma</td>
<td>1,433</td>
<td>21.2</td>
<td>25,629</td>
</tr>
<tr>
<td>High school Diploma</td>
<td>5,331</td>
<td>78.8</td>
<td>104,264</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>6,764</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>129,893</strong></td>
</tr>
</tbody>
</table>

Bachelor's Degree or higher

<table>
<thead>
<tr>
<th></th>
<th>VIRGINIA</th>
<th>ST. LOUIS COUNTY</th>
<th>MINNESOTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,101</td>
<td>16.3</td>
<td>22,409</td>
<td>17.3</td>
</tr>
</tbody>
</table>

Source: 1990 Census

Income. Household income in Virginia is significantly lower than the County and State medians. The 1989, median household income in Virginia equaled $18,398. This income level was 76% of the County median and 63% of the State-wide median (see Table 5). This is common for most Greater Minnesota communities as higher paying jobs move to larger metro areas. The trend of wealth concentrating in metro areas has been occurring since World War II.

Table 5
Household Income - 1989

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>VIRGINIA</th>
<th>ST. LOUIS COUNTY</th>
<th>MINNESOTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $5,000</td>
<td>474</td>
<td>10.9</td>
<td>4,974</td>
</tr>
<tr>
<td>5,000-9,999</td>
<td>734</td>
<td>16.9</td>
<td>11,557</td>
</tr>
<tr>
<td>10,000-14,999</td>
<td>624</td>
<td>14.4</td>
<td>8,855</td>
</tr>
<tr>
<td>15,000-24,999</td>
<td>820</td>
<td>18.9</td>
<td>15,265</td>
</tr>
<tr>
<td>25,000-34,999</td>
<td>614</td>
<td>14.1</td>
<td>13,057</td>
</tr>
<tr>
<td>35,000-49,999</td>
<td>581</td>
<td>13.4</td>
<td>13,937</td>
</tr>
<tr>
<td>50,000-74,999</td>
<td>397</td>
<td>9.1</td>
<td>8,554</td>
</tr>
<tr>
<td>75,000-99,999</td>
<td>71</td>
<td>1.6</td>
<td>1,825</td>
</tr>
<tr>
<td>100,000-149,999</td>
<td>22</td>
<td>0.5</td>
<td>710</td>
</tr>
<tr>
<td>$150,000 &amp; Over</td>
<td>6</td>
<td>0.2</td>
<td>375</td>
</tr>
<tr>
<td><strong>TOTAL HOUSEHOLDS</strong></td>
<td><strong>4,343</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>79,109</strong></td>
</tr>
</tbody>
</table>

Median Household Income

<table>
<thead>
<tr>
<th></th>
<th>VIRGINIA</th>
<th>ST. LOUIS COUNTY</th>
<th>MINNESOTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$18,398</td>
<td>$24,093</td>
<td>$30,909</td>
<td></td>
</tr>
</tbody>
</table>

Source: 1990 Census
The Census Bureau determines poverty status for all residents except those who are institutionalized, in military group quarters or in college dormitories. In 1989, the average poverty threshold for a family of four in the United States was $12,674. Of 9,149 people counted in Virginia, 15.2% were determined to be below the poverty level in 1989. This compares with 14.2% in St. Louis County and 10.2% in Minnesota (see Table 6).

Table 6
Poverty Status

<table>
<thead>
<tr>
<th></th>
<th>VIRGINIA</th>
<th>ST. LOUIS COUNTY</th>
<th>MINNESOTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Persons</td>
<td>15.2%</td>
<td>14.2%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Children under 5</td>
<td>23.7%</td>
<td>22.1%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Children under 5 in female</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>headed households</td>
<td>80.3%</td>
<td>67.7%</td>
<td>62.9%</td>
</tr>
<tr>
<td>Children under 18</td>
<td>16.3%</td>
<td>15.7%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Persons 65 and Over</td>
<td>11.9%</td>
<td>11.6%</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

Source: 1990 Census

When looking at children under five years of age, 23.7% were below the poverty level in Virginia. In female headed households, 80.3% of children under five years of age were below the poverty level in 1989. Of persons 65 years of age and over, 11.9% were below the poverty level in 1989 which is similar to St. Louis County.
Employment Trends. Table 7 lists the 16 largest employers in the Virginia area. The largest employer is the USX Corporation employing 1,500 people. With 464 employees, the Virginia Regional Medical Center stands as the second largest employer.

<table>
<thead>
<tr>
<th>MAJOR EMPLOYERS</th>
<th>PRODUCT/SERVICES</th>
<th>EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>USX Corporation</td>
<td>Iron Ore/Taconite</td>
<td>1,500</td>
</tr>
<tr>
<td>Virginia Regional Medical Center</td>
<td>Health Care</td>
<td>464</td>
</tr>
<tr>
<td>St. Louis County</td>
<td>County</td>
<td>340</td>
</tr>
<tr>
<td>Arrowhead Economic Opportunity Agency</td>
<td>Human Services</td>
<td>325</td>
</tr>
<tr>
<td>Inland Steel</td>
<td>Taconite</td>
<td>319</td>
</tr>
<tr>
<td>Virginia Schools</td>
<td>Education</td>
<td>300</td>
</tr>
<tr>
<td>Mesabi Daily News</td>
<td>Printing</td>
<td>270</td>
</tr>
<tr>
<td>East Range Clinics, Ltd.</td>
<td>Health Care</td>
<td>210</td>
</tr>
<tr>
<td>Edwards Oil Company</td>
<td>Retail/Industry/Commercial</td>
<td>145</td>
</tr>
<tr>
<td>Arrowhead Health Care Center</td>
<td>Nursing Home Care</td>
<td>121</td>
</tr>
<tr>
<td>City of Virginia</td>
<td>Municipality</td>
<td>108</td>
</tr>
<tr>
<td>Virginia Department of Public Utilities</td>
<td>Utilities</td>
<td>75</td>
</tr>
<tr>
<td>Northern Electric Cooperative</td>
<td>Rural Power Provider</td>
<td>58</td>
</tr>
<tr>
<td>Staver Foundry</td>
<td>Castings</td>
<td>55</td>
</tr>
<tr>
<td>Malton Electric</td>
<td>Electric Motors</td>
<td>24</td>
</tr>
<tr>
<td>W. A. Fisher Company</td>
<td>Printing</td>
<td>17</td>
</tr>
</tbody>
</table>

Source: Minnesota Department of Trade and Economic Development

The employment base in Virginia underwent significant changes in recent decades. Table 8 lists the type of industries employing Virginia residents from 1950 to 1990. This table illustrates several important trends:

- Total employment has declined. From 1950 to 1990, the number of employed persons over age 16 fell from 5,146 to 3,559, a 31% reduction.

- Mining and construction industries experienced the greatest losses. In 1950, these industries accounted for 28.6% of the total employment. By 1990, less than 17% of total employment was in mining and construction.

- The strongest employers were in the wholesale/retail and service sectors. Wholesale/retail employment remained constant during the period while service employment increased by almost 16%. In 1990, six out of ten people were employed in these areas.
In the time period between 1950 and 1990 the majority of employment loss occurred in industrial jobs such as mining, construction, manufacturing, transportation and public utilities [see Table 9]. The mining and construction industries fell from 1,472 jobs in 1950 to 594 in 1990. Much of the job losses in other industries are indirectly attributable to the decline of the mining industry. On the other hand, the number of service type jobs such as wholesale/retail, finance and government services have increased slightly.

**Figure 6**
Employment Distribution 1990
City of Virginia

**Table 8**
Employment Trends By Industry 1950 to 1990
City of Virginia

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>14</td>
<td>4</td>
<td>15</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>Mining/Construction</td>
<td>1,472</td>
<td>1,374</td>
<td>964</td>
<td>1,241</td>
<td>594</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>518</td>
<td>404</td>
<td>456</td>
<td>346</td>
<td>217</td>
</tr>
<tr>
<td>Transportation/Public Utilities</td>
<td>596</td>
<td>475</td>
<td>384</td>
<td>238</td>
<td>173</td>
</tr>
<tr>
<td>Wholesale/Retail</td>
<td>1,037</td>
<td>1,155</td>
<td>1,013</td>
<td>1,074</td>
<td>1,018</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate</td>
<td>114</td>
<td>149</td>
<td>109</td>
<td>152</td>
<td>132</td>
</tr>
<tr>
<td>Service</td>
<td>1,058</td>
<td>1,256</td>
<td>1,442</td>
<td>1,282</td>
<td>1,226</td>
</tr>
<tr>
<td>Public Administration</td>
<td>292</td>
<td>238</td>
<td>187</td>
<td>291</td>
<td>180</td>
</tr>
<tr>
<td>Other</td>
<td>45</td>
<td>96</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Employed Persons Over 16</td>
<td>5,146</td>
<td>5,151</td>
<td>4,570</td>
<td>4,642</td>
<td>3,559</td>
</tr>
</tbody>
</table>

Source: U. S. Census Bureau
Table 9
Employment Changes 1950 to 1990
City of Virginia

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>-10</td>
<td>+11</td>
<td>+1</td>
<td>+3</td>
</tr>
<tr>
<td>Mining/Construction</td>
<td>-98</td>
<td>-410</td>
<td>+277</td>
<td>-647</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-114</td>
<td>+52</td>
<td>-108</td>
<td>-131</td>
</tr>
<tr>
<td>Transportation</td>
<td>-121</td>
<td>-91</td>
<td>-146</td>
<td>-65</td>
</tr>
<tr>
<td>Wholesale/Retail</td>
<td>+118</td>
<td>-142</td>
<td>+61</td>
<td>-56</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate</td>
<td>+35</td>
<td>-40</td>
<td>+43</td>
<td>-20</td>
</tr>
<tr>
<td>Service</td>
<td>+198</td>
<td>+186</td>
<td>-160</td>
<td>-56</td>
</tr>
<tr>
<td>Public Administration</td>
<td>-54</td>
<td>-51</td>
<td>+104</td>
<td>-111</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+5</td>
<td>-581</td>
<td>+72</td>
<td>-1,083</td>
</tr>
</tbody>
</table>

Source: U. S. Census Bureau

The negative economic impact of these employment trends is actually greater than they first appear since many of the new service jobs are lower paying than the lost industrial jobs.

Table 10
Distribution of Wage and Salary By Industry - 1991
St. Louis County

<table>
<thead>
<tr>
<th>Industry Average</th>
<th>Average Annual Employment</th>
<th>Total Employment % of Total</th>
<th>Average Wages Paid</th>
<th>Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Number of Firms</td>
<td>Number of Firms</td>
<td>Employment</td>
<td>Actual</td>
<td>% of Total</td>
</tr>
<tr>
<td>Agriculture</td>
<td>51</td>
<td>316</td>
<td>0.4</td>
<td>$ 4,494,907</td>
</tr>
<tr>
<td>Mining</td>
<td>22</td>
<td>5,306</td>
<td>6.5</td>
<td>201,309,540</td>
</tr>
<tr>
<td>Construction</td>
<td>420</td>
<td>3,121</td>
<td>3.8</td>
<td>91,510,701</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>274</td>
<td>6,734</td>
<td>8.2</td>
<td>159,492,681</td>
</tr>
<tr>
<td>Transportation</td>
<td>232</td>
<td>3,984</td>
<td>4.9</td>
<td>114,945,179</td>
</tr>
<tr>
<td>Wholesale/Retail</td>
<td>1,749</td>
<td>20,513</td>
<td>25.1</td>
<td>269,132,973</td>
</tr>
<tr>
<td>Finance, Insurance and Real Estate</td>
<td>414</td>
<td>2,967</td>
<td>3.6</td>
<td>60,968,998</td>
</tr>
<tr>
<td>Services</td>
<td>1,640</td>
<td>21,561</td>
<td>26.4</td>
<td>403,385,139</td>
</tr>
<tr>
<td>Government</td>
<td>388</td>
<td>17,151</td>
<td>21.0</td>
<td>421,870,025</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>5,190</td>
<td>81,653</td>
<td>100.0</td>
<td>$1,727,210,143</td>
</tr>
</tbody>
</table>

Source: Arrowhead Regional Development Commission
While employment participation of males in the work force declined by nearly 7% from 1970 to 1990, the percentage of females in the work force increased by over 4%. The entrance of women into the work force is a national trend although Virginia, with 42% of all women over 16 working, is much lower than Minnesota's 62.5% figure.

Table 11

<table>
<thead>
<tr>
<th>Employment Participation 1970 to 1990</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>VIRGINIA</td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td>Male 16 and Over</td>
</tr>
<tr>
<td># in Labor Force</td>
</tr>
<tr>
<td>% of Total</td>
</tr>
<tr>
<td>% Unemployed</td>
</tr>
<tr>
<td>Female 16 and Over</td>
</tr>
<tr>
<td># in Labor Force</td>
</tr>
<tr>
<td>% of Total</td>
</tr>
<tr>
<td>% Unemployed</td>
</tr>
</tbody>
</table>

Source: U. S. Census Bureau

Retail Sales. In real dollars, retail sales in Virginia declined somewhat throughout the 1980s. The drop in sales is partly due to population declines, but also due to an overall sluggish economy. Despite the decline, Virginia serves as an important regional retail center. In 1990, Virginia experienced $161,281,525 in total retail sales. Compared to other communities in the area, only Hibbing, which has twice Virginia's population, is capturing an equivalent amount of retail sales.

Table 12

<table>
<thead>
<tr>
<th>Annual Gross Retail Sales 1990 Virginia Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIC</td>
</tr>
<tr>
<td>Hardware, Building Materials</td>
</tr>
<tr>
<td>General Merchandise</td>
</tr>
<tr>
<td>Food</td>
</tr>
<tr>
<td>Auto Dealers/Stations</td>
</tr>
<tr>
<td>Apparel, Accessories</td>
</tr>
<tr>
<td>Furniture</td>
</tr>
<tr>
<td>Eating, Drinking</td>
</tr>
<tr>
<td>Miscellaneous</td>
</tr>
<tr>
<td>TOTALS</td>
</tr>
</tbody>
</table>

Source: Minnesota Department of Revenue
Retail pull factors are a good indication of the City's role in the regional retail marketplace. The pull factor is the ratio of customer equivalents to the City's own population. When the ratio is greater than 1.0, the City is pulling customer equivalents from surrounding communities.

In Virginia's case, it has an overall pull factor of 2.74 which means that it is pulling nearly three times the equivalent of its own population to shop in Virginia. Virtually every retail category substantially exceeds 1.0. Virginia is a major retail force in the region and its dominance increased with the opening of TARGET.

Table 13
Retail Pull Factors 1980 and 1990
City of Virginia

<table>
<thead>
<tr>
<th>RETAIL CATEGORY</th>
<th>1980</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lumber, Hardware, etc.</td>
<td>$9,782,000</td>
<td>2.13</td>
</tr>
<tr>
<td>General Merchandise</td>
<td>13,560,000</td>
<td>2.25</td>
</tr>
<tr>
<td>Food Stores</td>
<td>23,305,000</td>
<td>3.19</td>
</tr>
<tr>
<td>Auto Dealers, Stations</td>
<td>29,122,000</td>
<td>2.30</td>
</tr>
<tr>
<td>Apparel Stores</td>
<td>7,788,000</td>
<td>5.54</td>
</tr>
<tr>
<td>Furniture Stores</td>
<td>5,362,000</td>
<td>2.26</td>
</tr>
<tr>
<td>Eating, Drinking Establishments</td>
<td>8,704,000</td>
<td>2.12</td>
</tr>
<tr>
<td>Miscellaneous Retail</td>
<td>11,530,000</td>
<td>1.29</td>
</tr>
</tbody>
</table>

Total Retail Sales $109,153,000 2.30 $161,283,000 2.74

* Retail sales represent actual dollars and are not adjusted for inflation.

Source: Minnesota Extension Service
City Budget. The City of Virginia's 1993 general fund budget is $7,136,779. The following receipts and expenditures indicate that the City is heavily dependent on state local government aids to fund its local public services.

Figure 7
1993 Revenue Sources, General Fund
City of Virginia

Figure 8
1993 Expenditures, General Fund
City of Virginia
Conclusions. Virginia is experiencing a dramatic transition. The trends discussed in this section illustrate the factors that will shape the future of the community.

Basic or export industry is the engine that powers growth and at the core of the City's demographic change is the loss of nearly 1,200 mining, construction and manufacturing jobs in Virginia alone between 1950 and 1990. The mining industry lost between 6,000 and 7,000 jobs during the 80's and early 90's across the Range. This has caused a shift from a basic economy which generates secondary employment to one which is heavily service oriented and creates minor secondary employment growth. Although having slowed in recent years, this shift has caused substantial out-migration and an overall decline in population and households in Virginia and throughout St. Louis County. These trends also have a negative impact on housing demand and, therefore, values. If these trends continue, the City will generally have an oversupply of housing except in very small niche markets.

It is easy to see what the problems are, but, quite another matter to develop solutions. Since Virginia's existence has historically been based on its rich reserve of natural resources (first timber and iron ore and then taconite), it is likely that Virginia's future will also be based on these resources, or it will need to restructure its economy. The challenge will be in finding new and creative ways of building a diversified and adaptable economy in the face of certain change.

The strength of retail sales and Virginia's emergence as a regional shopping hub is an important asset. Virginia can use retail activity to aid in future economic development solutions. But, because retail jobs are among the lowest paying, retail cannot drive a growth economy. If basic employment continues to erode, retail employment will be adversely effected as well.

Virginia’s economy has historically been closely tied to the lumber and mining industries. In good economic times both mining and the City thrived but if this industry continues to decline in employment, the City's economy will feel the burden. Given the uncertainty of mining, Virginia's socio-economic future is unsettled.

Because the City is unable to generate sufficient revenues from its property tax base, it is dependent on State and taconite aids to fund needed public services. This makes the basic operation of the City dependent on the whims of the State Legislature and the health of the taconite industry. If the mining industry were to cease operations or continue to downsize, Virginia and the entire Range would be severely impacted. This is why economic diversity and restructuring will be important to Virginia's future.
Assumptions. The following are the basis for the following population, employment and household projections:

1. Mining employment will not grow. If anything, it will decline due to raw materials source competition and technological change.

2. Eventually, mining as we know it will cease altogether on the Mesabi Range (within 20 to 30 years) unless a major external stimulus creates a higher demand for taconite. In the meantime, mining employment will hold its own if substantial investments are made to plants and operations.

3. There will continue to be a strong correlation between household formation and mine employment with the number of households generally shrinking more slowly than the loss of mining jobs, thus, creating a widening gap between households and jobs.

4. The number and size of households will continue to parallel mining employment trends unless manufacturing employment can be made to grow and replace lost jobs in mining.

5. The age of the population will increase faster if mining and construction employment shrinks.

6. The City will continue to be a growing senior citizens enclave due to its small-town atmosphere, seniors housing availability, relatively low taxes and the availability of health care services. Thus, a shrinking percentage of the population will be actively employed.

7. Economic diversification and restructuring must occur if the economy is to first stabilize and then grow.

8. Unless a major manufacturing employer locates in the Virginia area, the population, at best, will experience modest growth.

9. The level of Virginia's Local Government Aid will remain unchanged and taxes will remain relatively low.

10. Both population and employment will continue to decline if every effort is not made to make people want either to visit or live in the City of Virginia.
Projections. The City's future depends on many different things. It depends on whether the community can be transformed to make the City a more desirable place to live or locate a business. It depends on the degree to which the economy can be diversified or restructured to diminish its dependency on the mining industry. It depends on the continuation of the mining industry, at least at present levels, for perhaps 10 to 20 more years. It depends on the degree to which the City is willing to cooperate with its neighbors to improve efficiency, and reduce public service costs. And, it depends on the vagaries of State government and its willingness to continue to infuse Greater Minnesota with copious monies to fund local public services.

If mining can be sustained at present levels but no restructuring of the economy takes place, the City can expect a continuing decline in population in the short term and a precipitous decline after 2010 (Scenario 1).

If mining declines by one-third during the 1990s, which is the course it is on, and diversification does not take place, the City's population will shrink much more rapidly (Scenario 2).

Its primary hope for growth or, at least stabilization of its population, depends on the restructuring or diversification of the economy and continuation of the mining industry for at least another 15 years (Scenario 3). Such restructuring will require that areas be established to provide higher quality environments for housing and industry. Only a significant expansion of mining industry employment or the addition of one or more significant industrial employers would cause the City's population to exceed 10,000 people. Only by providing a setting that is conducive to growth will this prospect occur.
Figure 9
Scenario 1
(If mining is sustained at present levels/no restructuring)

Figure 10
Scenario 2
(If mining employment declines by 1/3 during 1990s)

Figure 11
Scenario 3
(Mining remains the same and diversification occurs - mfg., tourism, service)
**Land Use Needs.** Based on a very general survey of 66 municipalities of less than 100,000 people by the American Planning Association (APA) in 1992, a survey that should be used only as a reference, not as a standard, the City already has enough land zoned for commercial and industrial use. Two factors must be considered, however. First, the City has very little "available" or undeveloped industrial land that is able to meet contemporary business and industrial standards. Some amount of new or redeveloped industrial land is warranted to satisfy these needs. Second, the City is the predominant regional retail center which means that it serves a much larger population than its own. Because it serves as a magnet for retail growth, some additional commercial land may be warranted in the vicinity of the Thunderbird Mall. Once filled, however, retail will refocus on downtown.

Generally, the City compares very favorably with the APA survey in terms of the amount of land it has committed to public use. It has substantially less than the typical amount of land committed to housing and, unfortunately, has relatively little quality vacant land that is capable of supporting new housing. The tendency will be to redevelop areas of substandard housing for higher densities. There will be a need to provide for limited move-up housing and satisfying niche markets.

### Table 14
**City of Virginia Use Comparison**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Virginia1</th>
<th>Cities &lt;100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>35%</td>
<td>52%</td>
</tr>
<tr>
<td>Commercial</td>
<td>17%</td>
<td>10%</td>
</tr>
<tr>
<td>Industrial</td>
<td>17%</td>
<td>7%</td>
</tr>
<tr>
<td>Public Use</td>
<td>31%</td>
<td>31%</td>
</tr>
</tbody>
</table>

| Total         | 100%      | 100%            |

1. Based on zoning.
2. 1992 APA survey of 66 municipalities with populations less than 100,000.

The City provides more than ample land for parks and recreation suggesting that the objective should be to fine tune the present system to meet community needs rather than add significant amounts of new park land.
### Table 15
City of Virginia
Park Land Needs

<table>
<thead>
<tr>
<th>Component</th>
<th>Acres Needed$^1$</th>
<th>Acres Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mini-Parks</td>
<td>2.5 to 5.0</td>
<td>0</td>
</tr>
<tr>
<td>Neighborhood Parks/Playgrounds</td>
<td>10.0 to 20.0</td>
<td>52</td>
</tr>
<tr>
<td>Community Parks</td>
<td>50.0 to 80.0</td>
<td>68</td>
</tr>
<tr>
<td><strong>Total Needed</strong></td>
<td>62.5 to 105</td>
<td>120$^2$</td>
</tr>
</tbody>
</table>

1 Based on a core system of 6.25 to 10.5 acres/1,000 population and a population of 10,000.
2 Source: Information from City of Virginia
Community Strengths and Weaknesses.

Based on the town meetings, the Community Survey and detailed analysis, the following represent the City's most important strengths and weaknesses:

Strengths

Schools
Health care/medical services
Public services
Recreational facilities/golf
Lakes/natural resource base
Ethnicity/people
Heritage/historical resources
Mining
Retail/hub
Small town atmosphere
Regional setting
Good neighborhoods

Weaknesses

Declining employment/population
Image/uninviting entrances to the City
Lack of vacant land/building sites
Overdependency on the state for the funding of local public services
Aging infrastructure
Lack of well paying jobs
Lack of communications between decision makers and the public
Services are biased in favor of older, rather than younger, residents
Lack of intergovernmental cooperation
Land use and zoning conflicts
Community Goals

The following is a summary of community goals as derived from the Town Meetings conducted on March 18 and 25, 1993. They are not listed by order of priority.

1. Maintain the City's small town character and ethnic diversity.

2. Diversify and strengthen the Virginia area economy, including business retention and the attraction of head-of-household jobs, as means to improve employment opportunities and attain greater economic independence.

3. Maintain a balance between environmental protection and the need to create new jobs and tax base.

4. Preserve the City's heritage as a means to diversify and strengthen the local economy by identifying, restoring and reusing the most valuable of historical resources.

5. Restore the character, image and vitality of the City as a means to generate economic development and enhance civic pride.

6. Upgrade the existing housing stock and associated infrastructure as means to strengthen and enhance existing residential neighborhoods.

7. Provide opportunities for new housing within the City through the expansion of municipal boundaries and replacement of blighted and obsolete structures.

8. Improve downtown Virginia as a unique and diversified center for services, specialty shops, offices and financial and cultural uses and activities while continuing to grow the Thunderbird Mall area as the region's primary retail center.

9. Improve the lakes environment as the center for civic, recreational and cultural life.

10. Provide Virginia area children and residents with local opportunities for quality lifelong learning and job skills enhancement.

11. Work toward a phased program of increasingly efficient and economical local public services by improving intergovernmental relations, sharing services and continuing to explore new models for service delivery.

12. Improve communications between City decision makers and the public.
Community Issues

To date, the following issues have been identified throughout the initial stages of the comprehensive planning process. Some can be appropriately addressed by the Comprehensive Plan. Others will require additional study.

Virginia Regional Medical Center. Whether or not the hospital should be a publicly or privately owned facility and whether there should be a closer relationship between the hospital and the East Range Clinic has been discussed. A determination can only be made based on considerable additional study to determine how the Virginia Area residents will be best served.

Steam and Electricity. A utility efficiency study recently completed by Associated Utility Consultants of Vancouver, Washington calls for the implementation of one of several strategies including 1) sell the utility now, 2) phase out the steam utility, 3) sell the electric utility or 4) make needed improvements over the next 5-10 years to make the utility viable. Making the steam utility viable may require that its service area be substantially downsized and improvements made to increase efficiency and cost effectiveness. The City Council has adopted a resolution requesting the Public Utilities Department to establish an implementation system to implement the recommendations of the study. The PUC is also currently looking at improvements to the water treatment plant.

Police, Fire and Rescue. The City of Virginia provides excellent police, fire and rescue services but at a cost that is much higher than most cities. The reason is that the fire department is a full-time service where most cities have volunteer departments and the police department provides services that should be shared with the county. Should Virginia consider changing these services? Should the fire department or the hospital provide ambulance service? These will be very difficult questions to answer especially in light of the high quality service and strong public support for continuation in their present form. The P. A. R. Group has completed a study of the City's public safety departments. The final report recommends changes that have not been agreed to by the respective departments. Fire Fighters Local Union 390 disagrees with the P.A.R. Study.

Downtown. The downtown business community is currently involved in a planning/implementation process termed Heart-of-Virginia. The process will result in a plan of action to upgrade the CBD.

Waste Management. Some discussion ensued at the Town Meetings regarding how and where solid waste should be dealt with. The location of the proposed County landfill was questioned but is now resolved. Bags vs cans and related collection issues will continue to be discussed.

Consolidation of Services. While there was a strong indication on the part of those who attended the Town Meetings that there should be a total consolidation of municipalities and school districts and, short of that a considerable increase in
service-sharing, the fact is that all of these entities will have great difficulty with the implementation of such radical change. The issue, then, is not whether such service-sharing/consolidation should occur; it should, but how it can be made palatable to decision makers and residents alike and how can it be phased to respect existing circumstances.

Use of Lakeshore. Considerable controversy has ensued over the use of the south shore of Bailey’s Lake: whether it should be purely a public open space resource or allow some private sector use. The Natural Harvest Food Coop which has been approved was debated in the media at length. What guidelines should be used in evaluating future use of the lakeshore?

Kline-Cuppoletti Gun Club. The Gun Club and its location was mentioned by several of the Town Meeting small groups. Should it remain in its present location or should it be encouraged to move to a location that is more in keeping with its character and function? How realistic is it to expect the Club to move? In 1984, the Park Commission granted a 30 year lease for use of the gun club site. As long as the terms and conditions of the lease are honored, the lease will remain in effect.

Street Financing. There is very strong support by Virginia City residents for substantial new street improvements as a means to upgrade neighborhoods. There is no question that this would add value to the City as well as to individual properties. The problem is how should improvements be financed? Should they be financed by the City, by landowners, or some combination of the two?

Public Relations/Communications. There is a strong feeling on the part of citizens that City decision makers are not communicating effectively with constituents and there is a general lack of trust. What can be done to rectify this problem so the City can move ahead with necessary programs which will have support from a majority of the public?

Parks and Recreation. There seems to be a general sense among those who attended the Town Meetings that the existing park system should be maintained. A larger issue is that of the amount of public land in the City of Virginia. Should some existing park or public lands be disposed of? Should they be retained and improved? Should the existing park system be modernized to reflect evolving demographic trends? These and many other related questions have been addressed as part of the comprehensive planning process.

Heritage Preservation. Heritage preservation, when considered in light of all of the other City’s needs, was generally given a low rating by Town Meeting participants since other needs like job creation, intergovernmental cooperation and good schools are given priority. The issue is whether the City’s image and the preservation of its heritage will enhance economic development? On the other hand, heritage preservation costs money and the City does not have an abundance of financial resources. What this may mean is that the City will have to identify and preserve only its most valuable historical resources.
Limited Vacant Land Availability. Town Meeting participants expressed a rather strong sense that annexation and redevelopment be used to provide opportunities for new single-family housing. While this is an admirable objective, redevelopment and changes in land use near residential areas could be met with resident opposition. To what degree should the City pursue redevelopment and annexation given the shortage of usable vacant land within the existing municipal boundaries and boundary constraints that limit annexation.

Tourism. Tourism was mentioned by many of the Town Meeting participants as a means to enhance or diversify the Virginia area economy. The abandoned mine pits immediately to the east of the City may have recreational potential but they are owned by USX. What does USX intend to do with the mine pits? Do they have the potential to generate higher value residential development? Could ski and snowmobile trails be constructed which would draw tourists to the Virginia area? Is the hotel/motel support already available in the City of Virginia to accommodate tourism? Or, will there need be substantial improvements to these facilities to encourage tourists to visit the City of Virginia? Will the mine pits alone be sufficient to generate an increase in tourism? Or, will the City need to provide for other recreational opportunities, the interpretation of history and heritage preservation as means to enhance the tourist’s experiences in Virginia? Some, but not all of these, have been addressed by the Comprehensive Plan.

Airport. The community survey indicated that 68 percent of those responding oppose continuing City funding of the Airport. What value is the Airport to the City? How much is it used by City residents and businesses? What alternatives are there that could produce an acceptable alternative? How much investment has the City made in the Airport? Can or should it walk away from its legal and financial obligations?

Balancing Costs Against Improvements and Services. There was a strong indication on the part of those who attended the Town Meetings that environmental protection, heritage preservation and street and recreational improvements be balanced with the City’s ability to pay. There is no question that the City must make an investment in its future if it is to survive but, how much can it afford to pay to improve public services and enhance its image? Can it afford not to pay for such improvements? Part of the purpose of the comprehensive planning process is to balance improvements against the residents ability and willingness to pay for public services. Generating additional revenues could be extremely difficult given the high percentage of residents in the over 65 age group who live on relatively fixed incomes. How can the City pay for more services when it is already so dependent on the State for the funding of local public services?

These are the issues that must be addressed either by the Comprehensive Plan or further study.
Existing Land Use

General Land Use. The City of Virginia is surrounded on three sides by other municipalities including the City of Gilbert to the east, Eveleth to the south and Mountain Iron to the west. Because of these and past mining activities easterly of First Avenue, the City has very little remaining vacant developable land and almost no opportunity to annex land adjacent to its boundaries for future urban expansion. The City is an established community where most of its new development must be done in redevelopment situations, some making use of wetland areas. Whereas most cities experience development at the edges, the City of Virginia, with the exception of the Midway Area, is experiencing pressure from within to utilize existing parklands and wetland areas for development purposes. Redevelopment and the use of wetlands have only limited capabilities to provide development opportunities for the City.

In early 1993, the City entered into negotiations with USX to purchase and/or annex portions of USX properties to accommodate future industrial and residential development. As part of its agreement with USX, the City will consolidate with the City of Franklin which provides 48 acres of developable land immediately adjacent to its east municipal boundary.

The City has a total of 5,781 acres of land. Table 16 provides a breakdown of land use by use category prior to the annexation of the City of Franklin. Since the bulk of Franklin falls in the mining owned category, the overall ratios will not change appreciably.

Far and away the largest category of used land is that owned by mining interests, land which remains vacant, a large part of which is unusable and/or undevelopable due to the inability to service it with public utilities. A great deal of this land also evidences substantial rock outcroppings and other features which limit its use for urban development. The second largest category of land use is that attributable to public roads. The third largest category is residential which comprises just 7.7% of the City's total land area. Figure 12 illustrates the City's zoning as it existed in 1993.
Table 16
Existing Land Use*

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Acres</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One and two family</td>
<td>388.5</td>
<td>6.7</td>
</tr>
<tr>
<td>Multi-family</td>
<td>59.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Commercial</td>
<td>220.2</td>
<td>3.8</td>
</tr>
<tr>
<td>Industrial</td>
<td>221.6</td>
<td>3.8</td>
</tr>
<tr>
<td>Public and quasi public</td>
<td>392.6</td>
<td>6.8</td>
</tr>
<tr>
<td>Water surface</td>
<td>99.2</td>
<td>1.7</td>
</tr>
<tr>
<td>Mining owned</td>
<td>3,200.0</td>
<td>55.3</td>
</tr>
<tr>
<td>Public roads</td>
<td>1,200.0</td>
<td>20.8</td>
</tr>
<tr>
<td>Total</td>
<td>5,781.4</td>
<td>99.9</td>
</tr>
</tbody>
</table>

* Based on zoning in 1993

Source: City of Virginia

Existing Residential Land Use

The City has two distinct residential communities, that associated with the old City of Virginia which is comprised of historic neighborhoods generally lying east of Ninth Avenue and newer subdivisions lying westerly of Ninth Avenue. The other area of residential development is located in the Midway Area where it is detached from the remainder of the City by lands that are owned by mining companies. This latter area is zoned R-1 and is developed at a density of approximately 2.5 units per acre while older sections of Virginia have smaller lot sizes and, therefore, somewhat higher single-family residential densities. Generally, the City's older subdivisions have 25 foot lots with one house per two lots and a density of nearly seven houses per net acre.

Most of the City's multi-family housing is clustered in and around downtown and the lakes. While there are scattered multi-family sites elsewhere in the City, the predominant housing type is single-family. However, in some of the areas generally lying easterly of Ninth Avenue, a substantial number of older homes have been converted to multi-family dwellings while maintaining the integrity of single-family structures. Areas westerly of Ninth Avenue and those in the Midway Area generally do not have the same degree of multi-family conversions. The City has one mobile home park located on County Road 7 which has a total of 90 sites.

The City has relatively little vacant land available for new residential development that is not compromised by either commercial or industrial uses. This severely limits the City's ability to accommodate move-up housing for existing residents or those who may wish to move to the City of Virginia from elsewhere. The City has been in the process of negotiating the purchase and/or annexation of land to satisfy this need.
Commercial Land Use

The City of Virginia has several distinct categories of commercial land use that warrant consideration in the land use plan. Until the Thunderbird Mall was constructed in the mid to late ’60s, the City Center, or downtown, served virtually all of the retail and service needs of the Virginia area population.

Because the City Center was substantially rebuilt after the fire of 1900, it has a large number of historically significant buildings and was built to traditional standards. Buildings were built nearly to the property or street line and many of the buildings are two stories or more in height with relatively small parking areas at the rear of buildings or on-street. This gives downtown a unique turn-of-the-century image that is appealing to both residents and tourists.

Downtown also evidences considerable problems in spite of its continuing vitality. It is substantially dependent on limited on-street parking and many buildings do not meet contemporary standards for retailing or fire prevention and safety. Furthermore, it lacks easy accessibility and the streetscape elements constructed during the 70s evidence a need for rehabilitation. Since construction of the Thunderbird Mall, the retail role of the City Center has changed to one of specialty retail and service commercial. This transformation will continue as the Thunderbird Mall area grows as the region’s predominant shopping center. When vacant land is depleted, substantial retail could return to downtown.

The Thunderbird Mall has become the modern day version of the old city center except that it is predominantly a retail center and evidences none of the diversity that has historically been associated with downtown. The Thunderbird Mall serves the retail needs of a substantial regional population and because of its trip generation capabilities, it has become the retail magnet for the region. It has been further strengthened by the addition of TARGET. This area can be expected to grow somewhat larger and more intense up to the limits of available vacant land.

Unlike the Thunderbird Mall, the Sixth Avenue West and Ninth Street North shopping area is a composite of uses that include several independent and disconnected elements including strip shopping centers, the East Range Clinic, Festival Foods, an auto dealership and support goods and service businesses. This area has several vacant buildings and will need redevelopment consideration.

Three areas of the City, those located along Second Avenue West, the northeast quadrant of Sixth Avenue and Ninth Street and the Ninth Avenue West strip, all tend to be more automobile service or convenience commercial in nature. The two strip commercial areas are causing a degree of stress for the adjacent residential neighborhoods and they should generally be contained rather than allowed to further extend along these critical streets and into established neighborhoods.
The Eighth Street South commercial area generally tends to have the characteristics of a neighborhood center but its uses are relatively similar to those located at Sixth Avenue and Ninth Street. The most unique commercial area outside of the City Center is that immediately adjacent lying between Bailey's Lake and downtown. This is a mixed use area with a great deal of historical value which should be saved while encouraging the redevelopment of derelict buildings.

**Industrial Land Use**

The City has a great number of scattered industrially zoned properties many of which are undeveloped. For the most part, significant employers are not interested in independent sites where the integrity of their development is subject to compromise by incompatible uses. The City's major industrial area is that lying along Highway 53 on the west side of Virginia which is nearly fully developed with mining-age, underutilized metal buildings. One significant exception is the Minnesota Department of Transportation Building located at the end of West Chestnut Street on Hoover Road.

A second area of industrial development is located in the southwest corner of the City of Virginia where it has relatively poor visibility and accessibility and a considerable amount of vacant land. While lands along Highway 53 are particularly conducive to modern day business park development, the area in southwest Virginia does not offer the same advantages. It can be relegated to a heavier industrial use except where it may conflict with adjacent residential development.

**Public Land Use**

The City has a total of 393 acres or 6.8% of its total land area in public and quasi-public land uses. The most significant users include the City's parks and golf course, the Mesabi Community College, the public school system and the City's public service and utility facilities.

**Mining**

The Eveleth Mine in south Virginia is still active. While most of the City's mining owned 3,200 acres are idled or unused, the Eveleth Mine produces a substantial amount of high quality taconite and that operation is anticipated to continue for some time into the future. Virtually all of the land lying easterly of First Avenue West is owned by the mining industry as is that to the north of the City limits. Very little of this land is developable due either to the existence of abandoned open mine pits or severe soil and subsurface limitations. Some portions of it may still be suitable for mining.
**Overall Land Use Concept**

Virginia is a truly unique urban settlement having the appearance of an older traditional city. This character is manifested in its historical architecture, its small town atmosphere, its lake and park system and the juxtaposed mine pits. These elements distinguish Virginia as a unique and enduring urban place. These elements will be the building blocks for the City's revitalization. Enhancement of these key elements to create a sense of connectedness and unity, will make Virginia a better place to live, work and play thus enhancing its attractiveness as a place to do business.

There are numerous problems to overcome, not the least of which are the lack of an ample supply of vacant land, severely mixed or conflicting land uses that compromise the integrity of neighborhoods (both residential and industrial) and an eroding employment base. While enhancing the tax base is of tremendous importance, survival of the "community" will depend equally on improving the quality of life for those who both live in and visit the City and the creation of new governmental and service sharing structures and arrangements that will maximize efficiency and, therefore, longevity. While equal emphasis must be placed on all three, this element will focus on a general concept for urban physical development which is intended to capitalize on the City's intrinsic strengths.

This concept is intended to reinforce tradition and heritage where it already exists. In traditional or historic residential and commercial areas, new buildings should honor established design principles. New commercial buildings should be built at the street line with smaller parking lots located at the side or rear. Architecture should be consistent with established period architecture and significant glass should be required on all street facades. In other words, no blank walls should be permitted on the public sides of buildings.

In new commercial areas, more contemporary design is intended to meet the contemporary needs of retailing. However, even here attention is intended to be given to how the appearance of buildings relate to the overall urban design concept. Commercial areas are intended to be clustered and unified rather than stripped along major streets.

In traditional residential areas, new structures are intended to be architecturally compatible and in scale with the established neighborhood and traditional patterns are intended to be carried out. Design principles in traditional neighborhoods include a gridiron street pattern, sidewalks, alleys, residential elements and porches oriented to the street with garages at the side or rear and street tree consistency. New residential areas are intended to be designed to meet more contemporary standards.

The City's lakes, parks and trails are intended to be the centerpieces of City life. They are intended to be the fabric that connects the City while providing opportunities for recreation and heritage interpretation. Abandoned mine pits are also important because they are so much a part of the City's heritage.
Inasmuch as possible, these should be preserved and used to augment the City's economy as a focus for tourism.

The City has very large expanses of open space that are not developable because of mine pit barriers, inability to provide public utilities and severe subsoil conditions that preclude development. These are intended to be preserved for mining and as conservation/open space areas, the latter where they correlate with City entrances and unique natural features. Open space corridors are also intended to be established to serve as continuous linkages that interconnect all of the City's parks, schools and other major activity centers. These are the general principles and concepts around which the land use plan is intended to be built.

**Residential Land Use**

The plan establishes five categories of residential development [see Figure 13] including low density residential-single-family (LRSF), low density mixed-residential (LRM), medium density residential (MR), high density residential (HR) and manufactured home park (MHP) as follows:

**Low density residential single-family (LRSF).** These areas are primarily intended to accommodate new single-family detached housing (houses that are not connected to other houses) at the relatively low density of 2.25 or less units per gross acre. These are special housing areas which offer an alternative to the traditional urban style Virginia housing. These are suburban-like in character with wider yards and setbacks and attached garages. They are intended to be very carefully regulated to minimize nuisances and obtrusive business influences. Here, home occupations, the parking and storage of recreational vehicles and the size of storage buildings and garages will be carefully controlled. Home occupations are intended to be limited primarily to professional offices that are customarily found in homes which employ only household residents.

**Low density mixed residential (LRM).** These areas are primarily intended to accommodate single-family attached and detached housing at six or less units per gross acre in accordance with traditional urban neighborhood design principles. Housing types intended include single-family homes, two-family homes and townhomes. In neighborhood conservation areas, the character is intended to remain single-family and new or infill development is intended to respect the character and heritage of the neighborhood. In other words, individual vacant lots that are interior to the neighborhood should be utilized for single-family homes which are generally in character with the neighborhood and meet minimum lot size requirements. Lots in transitional locations along major streets may be considered for two-family dwellings by conditional use permit provided they are in conformance with the character and scale of the neighborhood.

In older neighborhoods, many larger older homes have already been converted to multi-family dwellings without substantially changing the exterior character and appearance of the building. This pattern is intended to be continued in designated
areas where homes are larger and on-site parking requirements can be met. It is the intent of the City to allow any unit within the area allowing for conversions to have one additional dwelling unit which provides independent living with a full kitchen facility. It is further the intent of the City that units in addition to one have a larger lot requirement in accordance with City ordinance.

Boarding or the renting of rooms without kitchen facilities is intended to be allowed in designated areas provided there is no more than one occupant per room and parking ordinance requirements are met. Home occupations are intended to be allowed, but with very careful regulations to insure that neighborhood values are protected.

**Medium density residential (MR).** These areas are intended to accommodate somewhat higher residential densities in the range of 6-16 units per gross acre. Where designated for neighborhood conservation, neighborhood conservation policies apply. The full range of housing is intended to be accommodated in medium density areas ranging from single-family attached housing or townhouses to apartments and manufactured housing.

**High density residential (HR).** High density areas are intended to accommodate multi-family housing at densities exceeding 17 units per gross acre. Seniors housing and student housing, where parking is in considerably less demand, are intended to be developed at densities ranging as high as 50 units per gross acre. In the case of student housing, proof of parking should be demonstrated to meet the City's parking requirements in the event such housing is converted to general occupancy.

**Manufactured home park (MHP).** These areas are intended to accommodate manufactured homes at densities consistent with medium density residential housing (MR). They are intended to be planned, constructed, owned and managed as units in accordance with the City's manufactured home park ordinance.

**Residential Policies And Objectives**

For the purpose of this policy plan, residential areas are defined either as neighborhood conservation areas or developing residential areas. Neighborhood conservation areas are those where it is the City's intent to protect and stabilize already established neighborhoods. Areas yet to develop are classified as developing residential areas and it is intended that the highest level of creativity be employed to establish quality residential environments for future Virginia residents. Once residential areas are developed, they become neighborhood conservation areas.

**Neighborhood Conservation Area Objectives**

1. To protect established neighborhoods from external stress.
2. To maintain and improve the existing housing stock.
To improve the overall living environment of established neighborhoods.

To maintain the historical character of older established neighborhoods.

**Neighborhood Conservation Area Policies:**

The policies for neighborhood conservation areas are to:

1. Monitor the housing stock and enforce housing codes as a means to improve the overall quality of neighborhoods and minimize adverse neighborhood influences.

2. Discourage through traffic on local residential streets.

3. Facilitate the redevelopment and rehabilitation of blighted residential properties as means to upgrade the housing stock and satisfy niche markets.

4. Discourage non-residential land use intrusions into neighborhoods.

5. Require compatible land use transitions at the edges of neighborhoods through the use of screening, buffering and fencing.

6. Allow limited changes in land use in difficult transitional areas where residential is adjacent to or across the street from commercial or industrial uses.

7. Require that infill and transitional development be compatible in use and scale with the surrounding neighborhood.

8. Improve or upgrade neighborhood infrastructure and aesthetics on a cost sharing basis with residents.

9. Carry out an ongoing neighborhood street tree maintenance and replacement program.

10. Disburse affordable housing and group homes throughout the community rather than concentrating it.

11. Basically maintain the single-family character of conservation neighborhoods.

12. Encourage developments that are architecturally compatible with historic neighborhoods and in keeping with traditional design standards [grid street system, sidewalks, alleys, residential elements and porches oriented to the street, garages to the side or rear and traditional architecture].
13. Carefully restrict home occupations to businesses customarily found in homes which employ only household residents, and do not sell products directly to customers on the premises.

**Developing Residential Area Objectives**

1. To create quality living environments that are adapted to the natural environment.

2. To provide the full range of housing opportunities for an increasingly diverse population.

3. To create planned neighborhoods with common facilities and amenities that create a sense of unity and identity while sustaining long term housing values.

4. To minimize nuisance and business impacts on planned residential areas.

**Developing Residential Area Policies**

The City's developing residential area policies are to:

1. Incorporate natural features as integral elements of the residential environment.

2. Require that streets be designed to follow the natural contour.

3. Require that new residential lots back or side to major streets [collectors and arterials] to minimize the number of direct driveway accesses to major roadways.

4. Require the development of parks, walkways and trails as essential elements of new subdivisions.

5. Carefully restrict home occupations to businesses which involve office uses that employ only household residents.

**Transitional Areas**

Transitional areas are those where land use conflicts already exist or are likely to develop due to changes in land use. They are generally the seams between higher and lower intensity uses where changes in use can be anticipated attributable to the stresses created by the higher intensity use or where uses of moderate intensity will establish a protective buffer for low density residential areas. Uses intended to be accommodated within transitional areas include churches, offices, institutional uses, public parks and open spaces, the conversion of existing homes to low impact business uses and multi-family housing of low to medium density. It
is the City's intent that such uses be developed to be in scale with and minimize their impact on lower intensity adjacent uses.

**Transitional Area Objectives**

1. To provide for compatible changes in land use at neighborhood edges in particularly sensitive locations.

2. To provide opportunities for lower impact compatible uses.

**Transitional Area Policies**

The transitional area policies that are applicable to the City of Virginia are to:

1. Consider changes in land use or redevelopment in sensitive neighborhood edge locations where existing residences are under stress from non residential uses or extraordinary traffic.

2. Insure that uses in transitional areas are compatible in size and scale with the adjacent neighborhood.

3. Maximize land use compatibility by requiring buffering, screening and landscaping between transitional uses and residential areas where they abut at rear lot lines.

4. Require that any redevelopment project involving a change in use have a generally straight boundary that correlates with a public street or the rear lot lines of residences.

5. Allow for the reuse of architecturally significant houses in transitional areas in a manner that maintains their historical integrity.

**Commercial Land Use**

**City Center (CC).** The City Center is intended to continue to serve its historical role as the business, social, cultural and governmental center for the City of Virginia. Actually, the City Center's role has changed significantly attributable to the development of the Thunderbird Mall and the retail and service activity that surrounds it. Downtown Virginia is in a process of transition from a retail center to a lesser retail role.

The City Center is much more difficult and costly to develop or redevelop than vacant land in the vicinity of the mall. It requires much more public intervention to keep it alive and well. It is for these reasons that the City intends to play an active role in the revitalization of downtown Virginia and to reposition it to be complementary to the shopping and retail role that Virginia plays in the region. The City Center is intended to accommodate a broad range of uses including
smaller specialty food or confectionery stores, general merchandise stores, apparel and accessory stores, home furnishing stores, eating and drinking establishments, drug stores, sporting goods stores, shopping goods stores, offices, financial institutions, hotels, personal service establishments, business service establishments, entertainment facilities and amusement and recreation services. As a diversified center it is also intended to accommodate cultural, institutional and public uses.

City Center Objectives

1. To continue to revitalize downtown Virginia as the historical City Center.

2. To improve the appeal of the City Center as a tourist attraction.

3. To create a stronger bond between downtown and the City’s lakes.

4. To create an environment that is attractive in scale, amenities and function for use by pedestrians.

5. To provide convenient parking in sufficient amounts and in appropriate locations to meet parking demands while maintaining the Center's main street image.

City Center Policies

The City Center policies applicable to the City of Virginia are to:

1. Participate in private sector redevelopment and the rehabilitation of existing buildings.

2. Create an historical linkage between the City Center and the City's lakes by means of pedestrian accesses and/or appropriate uses that are in keeping with the historical character of the old City Center.

3. Facilitate the rehabilitation of the City Center and its environs in a “turn of the century” historical theme.

4. Continue to provide financial incentives for store front and sign restoration in keeping with the already established character of downtown Virginia.

5. Assume responsibility for all City Center planning including the provision of parking and the design of streetscape improvements on a cost sharing basis with the business community.

6. Provide for smaller parking lots at the side or rear of buildings as means to minimize excessive hard surface land coverage and minimize the visual impact of parking lots while maintaining the main street character of the City Center.
7. Encourage the use of upper levels of commercial buildings for office and residential occupancies.

8. Minimize land use regulation in the City Center in deference to the meeting of building code requirements.

9. Encourage an increasingly more unified management structure for the City Center to improve its competitive strengths.

10. Provide safe and convenient pedestrian access to and within the City Center.

11. Prohibit or carefully regulate commercial uses (adult uses, pawn shops, etc.) which will have the potential to create adverse secondary land use impacts.

12. Require buildings to be built at the right-of-way line to preserve and enhance the main street character of the City Center.

13. Require that at least 70% of walls consist of see-through glass windows along all street frontages.

14. Require that buildings and signage be designed and/or renovated to be in character with the historical nature of the City Center.

15. Create small pedestrian spaces, linkages and amenities within the downtown to encourage patrons to want to spend more time socializing and shopping in downtown.

16. Continue to maintain on-street parking as the parking of choice for customers.

17. Encourage such uses as the Chamber of Commerce or the Virginia Area Historical Society in the City Center or in the area connecting it to the City's lakes.

18. Continue to require that all on-site liquor be served only on Main Street.

19. Permit entertainment facilities like theaters and nightclubs only in the City Center.

20. Discourage the use of building walls for urban art.

**Community Commercial Areas (C-C).** Community commercial areas are principally located along Eighth Street, westerly of Ninth Avenue in the vicinity of the Thunderbird Mall and near the intersection of Ninth Street North and Sixth Avenue. These areas are primarily intended to serve the retail and convenience
needs of a much larger region than the City of Virginia. Because Virginia is the predominant retail center within its region, these facilities serve a population considerably larger than that of the City and therefore must have good accessibility.

Community commercial areas are intended to have more of a shopping center character where collections of stores are integrated to provide for shared parking arrangements. Freestanding buildings are also allowable, however, they too are intended to be incorporated as part of a larger planned commercial area. Community commercial areas are intended to accommodate a fairly wide range of retail and service businesses capable of serving the regional population. Uses intended to be accommodated include larger food stores, general merchandise and apparel establishments, restaurants, drug and variety stores, offices and clinics, financial institutions, commercial recreation and amusement business excluding indoor recreation and entertainment facilities and personal and business service establishments.

**Community Commercial Area Objectives**

1. To provide opportunities for the expansion of retail development in Virginia as a means to maintain its role as the regional retail center.

2. To minimize the impact of commercial development and commercial expansion on established neighborhoods.

**Community Commercial Area Policies**

The community commercial policies applicable to the City of Virginia are to:

1. Discourage strip commercial development and spot zoning in areas not designated for commercial use by the land use plan.

2. Except in the Highway 53/Thunderbird Mall area, to adhere to a policy of containment rather than expansion of commercial areas where established neighborhoods may be impacted.

3. With the exception of the Highway 53/Thunderbird Mall area, intensify and improve existing commercial centers rather than create new ones.

4. Encourage the making of cosmetic improvements to existing commercial centers.

5. Prohibit or carefully regulate commercial uses (adult uses, pawn shops, etc.) which will have the potential to create adverse secondary land use impacts.

6. Rezone properties that are not now in conformance with this land use plan.
7. Improve pedestrian access to and within all shopping center or commercial areas.

8. Eliminate, over time, existing conflicts in land use between established residential areas and commercial areas.

**Highway Service/Convenience Business Areas (HC).** Highway service/convenience business areas are located along Second Avenue in east Virginia and on Ninth Avenue in the northern area of Virginia. These are already established and have a full range of highway service and convenience uses including gasoline stations, convenience stores, motels and similar uses. These areas will not be changed dramatically but will continue to serve freestanding commercial uses that depend on larger volumes of through traffic, good accessibility and high visibility by passing motorists. Uses intended to be accommodated include automobile sales and service facilities, drive-up establishments including restaurants and banks, motels and similar uses. These areas are already in conflict with adjacent neighborhoods and these conflicts will need to be mitigated over time.

**Highway Service/Convenience Business Area Objectives**

1. To provide for an appropriate range of businesses that subsist on larger volumes of vehicular traffic, satisfy the needs of the motoring public and fulfill the convenience needs of Virginia area residents.

2. To improve the image of highway service corridors.

3. To minimize traffic conflicts and maximize safety and efficiency.

4. To mitigate land use conflicts at the edges of established residential neighborhoods.

**Highway Service/Convenience Business Area Policies**

The City's highway service/convenience business policies are to:

1. Restrict commercial development only to those areas designated by the land use plan.

2. Minimize the number of additional driveway entrances to Second Avenue and Ninth Avenue within highway service/convenience business corridors.

3. Unify highway service corridors with appropriate design guidelines and consistent landscaping improvements.

4. Give careful attention to neighborhood edges to ensure that highway service and convenience businesses do not penetrate established residential areas.
5. Require the establishment of regular boundaries for highway service uses to compatibly align them with the rear property lines of residential areas.

**Business Park And Industrial Land Use**

Business Park Areas (BP). One of the most serious problems currently facing the City of Virginia is that it has no protected environments for new businesses/employers to locate in the City which are not already compromised by incompatible land uses. In order to provide for such opportunities, the City intends to create two business park areas one of which, located along Highway 53, will require substantial redevelopment; the other, located south of Bourgin Road and east of Highway 53 will provide a new business park character. Within these areas, it is intended that planned environments be provided which include a higher standard of design and, therefore, protect businesses from adverse external influences. Uses intended to be accommodated within business park areas include research laboratories, wholesale establishments, light manufacturing and processing facilities, warehouses and offices. It is intended that all storage within business park areas be completely within enclosed buildings or screened from the view of public streets and accesses. It is also the intent that design guidelines be established to ensure a higher standard of design and that metal buildings not be permitted.

**Business Park Area Objectives**

1. To provide opportunities for new industrial development and expanded employment in Virginia.

2. To provide planned and controlled environments that are attractive to unique employers as a means to induce businesses to locate in Virginia that would not otherwise choose the City.

**Business Park Area Policies**

The City's business park area policies are to:

1. Adopt standards for new business and industrial developments that are in keeping with the need to improve the appearance and character of the City.

2. Provide business park opportunities having a more protected environment where they will be more likely to attract larger employers.

3. Provide the highest level of public services and amenities in keeping with the needs of unique employers.

4. Require that all storage be enclosed within buildings or screened from view from roadways.
5. Adopt design guidelines which establish a higher standard for design in business park areas.

6. Create opportunities for redevelopment within business park areas as a means to facilitate the transformation of older industrial areas to modern business settings.

**Industrial Areas [1]**. The City already has a substantial amount of land zoned and used for industrial purposes. A substantial portion of that land is occupied with buildings that do not meet contemporary standards for aesthetics which means that they are not particularly attractive for contemporary industrial land users. Furthermore, there are a number of areas where industrial development conflicts with residential areas and/or where industrial development reduces adjacent property values.

It is the intent of the City to create considerably improved opportunities for employment within the City of Virginia and to make industrial areas more compatible with surrounding uses by requiring improved standards for industrial design and development. Uses intended to be accommodated within industrial areas include those that may have a need for outdoor storage and are generally of a heavy industrial nature.

**Industrial Area Objectives**

1. To improve the appearance of industrial areas and minimize adverse impacts on the community's image and development potential.

2. To continue to provide opportunities for economic diversification in the event mining activities continue to decline.

**Industrial Area Policies**

The industrial area policies applicable to the City of Virginia are to:

1. Improve existing industrial areas over time using redevelopment and financial incentives especially in areas where they are highly visible from the regional highway system.

2. Adopt standards for new industrial developments that are in keeping with the need to improve the appearance and character of the City.

3. Concentrate industrial development in a relatively few larger areas and discourage small site industrial developments that have the potential to conflict with other uses.

4. Require the establishment of landscaped buffers between dissimilar industrial and residential uses to enhance land use compatibility.
5. Rezone smaller sites in areas that have not attracted industrial development in accordance with the land use plan.

_Mining Areas (M)._ In spite of the decline in employment in the mining industry on the Mesabi Range, taconite production will continue to be a major economic force in and adjacent to the City of Virginia for many years. It is the intent of the City to sustain mining activities for as long as possible at least at present levels.

_Mining Area Objectives_

1. To continue mining operations for as long as possible as the centerpiece of the regional economy.

2. To, at least, maintain the present level of mining employment in the region.

3. To minimize the effects of mining on economic diversification and community aesthetics.

_Mining Area Policies_

The City of Virginia's policies for mining are to:

1. Support the continuation, for as long as possible, of taconite mining/processing in areas of the City and region where ore is still readily available.

2. Work with area mining companies to support favorable legislative treatment for the continuation of mining activities on the Mesabi Range.

3. Discourage mining practices that may adversely affect the area's environment [water resources, view sheds from major roadways, etc.] and the region's ability to diversify the economy.

4. Establish open space buffers between active mining operations and other land uses to minimize the impact of mining on other uses.

_Public Land Use_

Public use areas are those areas within the City of Virginia that are owned or are intended to be owned by a public agency or institution. Uses intended to be accommodated include parks, recreation and open space; schools; publicly owned buildings and facilities; cemeteries; hospitals; golf courses and similar public uses.

It is the intent of the City to create a public open space buffer around the entire perimeter of Silver and Bailey's Lakes. It is further the City's intent to create a strong civic focus on the south shore of Bailey's Lake as a means to reflect and interpret the City's history while creating a supplemental focus for downtown business. While the intent is to create a public lakeshore, this does not
necessarily mean a building free lakeshore. Reuse of the depot and the
development of smaller structures or elements having historical authenticity could
increase the public's access to and enjoyment of the lakeshore while providing
patron support and activity for downtown. Within this important corridor between
the lake and downtown potential uses or structures may include the Chamber of
Commerce and the Historical Society. It is perhaps conceivable that even a
business may qualify as an acceptable occupant if it is capable of meeting the
above objectives.

Public Use Area Objectives

1. To interconnect the City's most important public features and facilities
   including schools and significant historical and natural resources via open
   space corridors.
2. To protect the natural environment and enhance the water quality of the
   City's lakes.
3. To provide for needed public facilities and services.

Public Use Area Policies

The public land policies for the City of Virginia are to:

1. Continue to upgrade the present park system to make it functionally
   consistent with evolving demographic trends.
2. Continue to expand the City's lakeshore as a public resource by ongoing
   acquisition as property becomes available and affordable.
3. Create an historical focus on the south shore of Bailey's Lake that links to
   and strengthens the City Center.
4. Acquire additional public land only as a means to improve or expand parks,
   create trail connections, eliminate land use conflicts adjacent to parks,
   protect valuable natural and historical resources and establish/upgrade
   City entries.
5. Continue to cooperate with the Virginia School District to provide for the
   joint use of school/park facilities.
6. Provide sufficient public land to accommodate the public land needs of the
   community.
7. Maintain a pedestrian rather than automobile atmosphere around the City's
   lakes. Where conflicts arise give preference to pedestrian activities.
8. Protect all street end views to the City's lakes.
Conservation/Open Space Land Use

There is substantial part of the City that is technically unable to support urban development due to past mining activities, the inability to extend utilities, surficial rock formations, wetlands and/or related reasons. These may, however, be expected to be used for future mining activities. There are others that are best preserved as means to create a buffer between incompatible land uses and/or protect the City's entrances. In particular, the south entry to the City of Virginia needs to be protected from future development as a means to protect this important entry to the City. Also categorized as conservation/open space are railroad rights-of-way some of which are abandoned and others of which are still active. Drainageways are also intended to be part of the conservation/open space network.

Uses intended to be permitted within conservation open space areas include parks, trails and tourist activities that require only limited public services and yet can accommodate or protect important natural and historical resources. Only some of these are intended to be owned by the City of Virginia. Most correlate with private ownership.

Conservation/Open Space Area Objectives

1. To protect the area's unique natural resource base and mining heritage.

2. To provide limited use opportunities that are consistent with the area's natural and historical character.

3. To maintain the visual character of the region and protect the City's entrances.

Conservation/Open Space Area Policies

The City's conservation/open space policies are to:

1. Prohibit urban development other than as an expansion of an existing use.

2. Disallow the extension of public utilities into conservation/open space areas except as a means to connect urban service areas.

3. Encourage the use of conservation/open space lands for recreation and tourism.

4. Maintain and protect valuable natural land forms and features including steep slopes, rock formations, significant tree stands, hills and wetlands.

5. Protect good examples of man made features attributable to mining as a means to protect the mining heritage of the region.
Figure 13
LAND USE PLAN

COMPREHENSIVE PLAN
City of Virginia, Minnesota

Hoisington Koegler Group Inc.

Project Number: 92-44
File Name: VIRGINIA\92-44A\VISEPLOT.DWG
Date: 4/15/1995
Revisions: 12/15/1997

Land Use / Environmental * Planning / Design
Characteristics Of The Housing Stock

Virginia's 1990 count of 4,706 housing units contain a healthy mix of housing types with 61.9% single-family detached and mobile homes. Attached and multi-family units constitute 38.1% of the total housing stock. A majority, 63.6%, of housing in 1990 was owner occupied. Vacancy rates in 1990 were 7.8%.

### Table 17

**Housing Unit Characteristics 1990**

<table>
<thead>
<tr>
<th>HOUSING TYPE</th>
<th>NUMBER OF UNITS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Unit Detached</td>
<td>2,823</td>
<td>60.0</td>
</tr>
<tr>
<td>1 Unit Attached</td>
<td>56</td>
<td>1.2</td>
</tr>
<tr>
<td>2 to 4 Units</td>
<td>907</td>
<td>19.3</td>
</tr>
<tr>
<td>5 to 9 Units</td>
<td>206</td>
<td>4.4</td>
</tr>
<tr>
<td>10 or More Units</td>
<td>624</td>
<td>13.3</td>
</tr>
<tr>
<td>Mobile Home, Trailer, Other</td>
<td>90</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>TOTAL UNITS</strong></td>
<td>4,706</td>
<td><strong>100.1%</strong></td>
</tr>
</tbody>
</table>

Source: 1990 Census

As in most of non-metropolitan Minnesota, housing values are considerably lower in Virginia than in urbanized areas. Virginia's median owner-occupied home value in 1990 was $36,300. This compares with $42,200 for St. Louis County, $89,584 for the Twin Cities Metropolitan Area and $74,000 State-wide.

### Table 18

**Housing Value - Owner Occupied 1990**

<table>
<thead>
<tr>
<th>Less than $50,000</th>
<th>VIRGINIA</th>
<th>1,805</th>
<th>75.4</th>
<th>27,531</th>
<th>63.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000-99,999</td>
<td>550</td>
<td>23.0</td>
<td>13,780</td>
<td>31.6</td>
<td></td>
</tr>
<tr>
<td>100,000-149,999</td>
<td>31</td>
<td>1.3</td>
<td>1,601</td>
<td>3.7</td>
<td></td>
</tr>
<tr>
<td>150,000-199,999</td>
<td>6</td>
<td>0.3</td>
<td>506</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>200,000-299,999</td>
<td>1</td>
<td>0.0</td>
<td>191</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>$300,000 and Over</td>
<td>0</td>
<td>0.0</td>
<td>35</td>
<td>0.1</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL UNITS** | **2,393** | **100.0%** | **43,644** | **100.1%** |

Source: 1990 Census
Housing Condition

Nearly half of Virginia's 4,706 housing units (in 1990) were built prior to 1940. The age of the housing stock may have an impact on overall housing condition since maintenance and efficiency demands increase with age. All housing units are supplied by public water and nearly all are serviced by public sewer. There was a total of 29 housing units lacking complete kitchen facilities in the City in 1990.

Housing characteristics by census tract (see Table 19 and Figure 14) provide further insights into those factors that are likely to influence the condition of the housing stock. Tract 131 has the oldest housing, the lowest median family income and the highest percentage of its population living below the poverty level. Because of these stress factors it has been targeted for neighborhood improvements and the removal of blighted structures.

Table 19
Population & Housing Characteristics by Census Tract - 1989

<table>
<thead>
<tr>
<th>CHARACTERISTICS</th>
<th>TRACTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>130</td>
</tr>
<tr>
<td>Persons</td>
<td>2,214</td>
</tr>
<tr>
<td>Households</td>
<td>1,138</td>
</tr>
<tr>
<td>Families</td>
<td>538</td>
</tr>
<tr>
<td>Median income</td>
<td></td>
</tr>
<tr>
<td>Household</td>
<td>$14,253</td>
</tr>
<tr>
<td>Family</td>
<td>$31,071</td>
</tr>
<tr>
<td>Non-family</td>
<td>$8,048</td>
</tr>
<tr>
<td>Per capita income</td>
<td>$11,408</td>
</tr>
<tr>
<td>% all persons below poverty*</td>
<td>11.4</td>
</tr>
<tr>
<td>% families below poverty</td>
<td>4.8</td>
</tr>
<tr>
<td>Housing units (#)</td>
<td>1,271</td>
</tr>
<tr>
<td>Median year built</td>
<td>1945</td>
</tr>
</tbody>
</table>

* All persons for whom poverty status is determined
Housing Costs

Census data indicates that Virginia has only marginally higher housing costs as a percentage of income than St. Louis County as a whole. Housing costs include the sum of mortgages and other debts on the property, real estate taxes, property insurance, utilities and fuels for owner occupied housing and gross rent for rental housing.

Of both owned and rented Virginia households, 57.3% experienced housing costs which are less than 20% of their total household income. Housing costs were greater than 30% of total household income in 22.2% of Virginia's households. The rule of thumb is that housing costs of less than 30% of total household income are comfortable. Housing costs greater than 30% of income can be financially binding.

Table 20
Housing Costs As A Percentage Of Household Income 1990
City of Virginia and St. Louis County

<table>
<thead>
<tr>
<th>% OF HOUSEHOLD INCOME</th>
<th>HOUSEHOLDS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>VIRGINIA</td>
<td>ST. LOUIS COUNTY</td>
<td></td>
</tr>
<tr>
<td>Less than 20%</td>
<td>2,312</td>
<td>37,488</td>
<td>58.2</td>
</tr>
<tr>
<td>20 - 30%</td>
<td>733</td>
<td>12,604</td>
<td>19.6</td>
</tr>
<tr>
<td>Over 30%</td>
<td>897</td>
<td>13,240</td>
<td>20.5</td>
</tr>
<tr>
<td>Not Computed</td>
<td>94</td>
<td>1,128</td>
<td>1.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,036</td>
<td>64,460</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: 1990 Census

Housing Programs

The Virginia Housing and Redevelopment Authority (HRA) operates a variety of housing programs primarily directed at low and moderate income persons. Programs include the following:

Section 8 Housing Assistance Payments Program. The HRA administers a Section 8 housing assistance payments program for the area of St. Louis County lying north of the City of Cotton. The Section 8 HAP Program functions on annual contributions of $1,680,000 which is received in monthly payments from the Department of Housing and Urban Development (HUD). This program benefits both landlords and low income residents who participate in the program. Residents pay 30% of their income for rent and utilities while the HRA pays the remaining amount directly to the property owner up to the unit's fair market rate. Of a total of 505 certificates, approximately 30% have been issued for housing in Virginia.
The program has income limits ranging from $14,200 for one individual to $23,550 for a family of six. Maximum allowable rents range from $260 for an efficiency unit to $787 for a five bedroom apartment, including all utilities.

**Tax Increment Financing Program.** This is a redevelopment program which covers the area of Virginia generally lying easterly of Sixth Avenue. Its purpose is to purchase and demolish substandard or blighted structures and either sell vacant lots to adjoining property owners or reuse the properties for other purposes. Since the number of households in the City continues to decline, the rehabilitation and reuse of existing structures is generally cost prohibitive. The HRA generates approximately $90,000-100,000 per year from the Finnstown Tax Increment District which money can be spent anywhere within the target area. Funds for this program were drastically reduced by changes to the state’s tax increment financing laws by the 1988 legislature. With this program, homes are purchased by the HRA at a nominal cost and then demolished by the IRRRB. The HRA currently has approximately two vacant units awaiting demolition and another 40 that are in need of attention. Approximately four to six houses are purchased and removed each year. As long as the City has a housing surplus, this program should be continued.

**Tax Levy Program.** HRAs have the option to levy millage for redevelopment purposes. The Virginia HRA does so and applies funds to areas other than the TIF district which funds are used for the purchase and demolition of substandard structures.

**Market Rate Senior Housing Program.** In 1991 the HRA commissioned a market study which concluded that the City of Virginia needs 180 units of elderly housing including 90 units with minimal services and 90 units with congregate care services. In 1992, the HRA built the Laurentian Manor, an 80 unit senior housing complex. A total of 80 units are occupied and a waiting list exists.

In 1994, the HRA had the original market study updated to reflect the effect of the development of the Laurentian Manor as well as other smaller developments on the Iron Range. This study found that there was still a need for 144-163 units of elderly housing with the availability of assisted living services. In 1996, the city and the HRA initiated the renovation of the Washington School into the “Washington Manor”, a 63 unit market rate senior complex with services available. The existing building will house 25 apartment units, a congregate dining area, library, game room, and conference room. A new addition will house 28 apartment units, an elevator, office space, and lounge areas.

**Student Housing Program.** In 1980 the State of Minnesota transferred ownership of land adjacent to Range Community and Technical College to the City of Virginia for the sole purpose of student housing. In 1981, the City transferred ownership of this property to the HRA for development of this housing. Several attempts were made by various developers with no success. In 1995, the HRA had a market study performed, and a developer was found to develop
24 apartment units to house up to 120 students. Three buildings contain eight units each. These buildings were placed on the property so as to allow for additional buildings as the need arises.

**Public Housing Program.** The Virginia HRA owns and operates three developments as follows as well several duplex units:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Units</th>
<th>Constituency</th>
<th>Year Built</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pine Mill Court</td>
<td>110</td>
<td>Family &amp; seniors housing</td>
<td>1953</td>
</tr>
<tr>
<td>The Columbia</td>
<td>60</td>
<td>Senior citizen housing</td>
<td>1969</td>
</tr>
<tr>
<td>The Roucheau</td>
<td>86</td>
<td>Senior citizen housing</td>
<td>1982</td>
</tr>
<tr>
<td>Duplex Units</td>
<td>18</td>
<td>Family and Senior housing</td>
<td>1982</td>
</tr>
</tbody>
</table>

Total Public Housing Units: 274

In addition, in 1977 the HRA developed the Alice Netzel Tower, a 156-unit senior citizen high rise project. This is a turnkey project and is owned by Ehlen Properties and operated by Cy Kuefner Realtors, Inc. It is a new construction Section 8 facility with all units assisted.

Public Housing residents pay 30% of their income for rent and utilities and the HRA pays the remaining amount. Income parameters are $22,750 for an individual and $37,700 for a family of six for The Columbia and Pine Mill Court. Income parameters for The Roucheau and scattered site apartments are $14,200 for an individual and $23,550 for six family members.

Modernization funds are received each year from HUD, and certain units are modernized each year in order for the Public Housing units to remain a viable housing choice for low income residents.

1992 the HRA collaborated with Range Transitional Housing to cooperate in providing housing and necessary human service components to residents in northern St. Louis County who are in a seemingly helpless situation. Clients qualify for up to two years of services within this program, allowing them time to realign their lives and move on to self sufficiency. This program serves from 18 to 24 clients on a continuing basis. Transitional Housing offices are located within the HRA administration building.

Also in 1992, the HRA collaborated with Homes, Inc. to cooperate in providing housing and necessary services to developmentally disabled clients of Homes, Inc. This program serves from 8 to 10 clients in Virginia. Homes, Inc. offices are located within the HRA administration building.
The Department of Housing and Urban Development urges HRAs to offer services to low-income residents for eventual self-sufficiency. Reliable transportation and child care are two of the most difficult barriers to overcome in order for low-income people to pursue an education or become employed. In 1995 the HRA constructed an addition to the administrative building for additional office space and a day care center. Residents of Pine Mill Court have first preference at the day care center. Pine Mill Court is centrally located to the Range Community and Technical College, the downtown business district, and the retail mall business district. Therefore, residents now have professional day care services, educational opportunities, and employment opportunities all within walking distance from their homes.

The HRA is currently not involved with housing rehabilitation programs primarily because the Arrowhead Economic Opportunity Agency administers grants received from Minnesota Housing Finance Agency for this purpose.

Housing Plan

It is the intent of the HRA to continue to purchase and demolish substandard and blighted housing as a means to revitalize neighborhoods. Vacant lots will either be sold to adjoining property owners to expand their lots from their present 25 foot or 37 1/2 foot lots to 50 foot or larger lots. Wherever possible two lots will be combined to form a 50 foot or larger lot for a new building site.

The elderly population in St. Louis County is projected to increase 26% by the year 2020. Many of the elderly who cannot or do not wish to maintain homes of their own will pursue quality rental units with modern amenities. As complexes are developed to meet this need, existing homes that are sold by the elderly will supply the younger population with a variety of housing choices ranging from starter homes to high quality homes for families that are able to maintain them.

A variety of options for the construction of new housing will be available. The City is presently in the process of developing two areas within the city for upper scale housing. "Fairview Addition", located on the northeast side of Virginia, will offer over 40 residential lots. "Honda Hills" located next to the municipal golf course will include the development of 19 residential lots. Also, a privately owned 6.9 acre tract located on West Chestnut Street is available for purchase and development. In addition, the HRA has several vacant lots available throughout the east side of the city for residential building sites.

Housing Objectives

1. To upgrade and maintain the existing housing stock.
2. To create and maintain quality neighborhood living environments.
3. To provide new or rehabilitated housing opportunities to satisfy the needs of increasingly diverse family structures.
Housing Policies

The City's/HRA's policies for housing are to:

1. Employ housing code enforcement as a means to maintain the quality of the existing housing stock.
2. Continue to selectively remove substandard housing that has the potential to adversely affect neighborhoods.
3. Selectively rehabilitate housing that has sound structural integrity and historical character provided it has reuse potential.
4. Ensure that the reuse of cleared lots is consistent with the character of the neighborhood.
5. Utilize selective clearance to provide opportunities for neighborhood enhancement, including the establishment of larger sites for park and recreation purposes, in areas where such facilities are deficient.
6. Develop programs for affordable housing which combine the rehabilitation of standard structures with a low down payment requirement.
7. Search for funds to provide low interest loans for housing rehabilitation for existing Virginia homeowners.
8. Disperse low and moderate income housing and group homes throughout the community rather than concentrate them in a few areas.
9. Provide assisted housing in locations that offer a high degree of convenience to shopping, schools and health care facilities.
10. Provide congregate care housing facilities to satisfy the needs of less able seniors.
11. Provide housing support services for low, moderate and disabled citizens.
12. Provide opportunities for new housing in move up and seniors markets and markets that satisfy the needs of increasingly diverse family structures.
The City of Virginia is almost entirely dependent on the automobile having lost most of its rail service and all of its original streetcar system. Shortly after the turn of the century, Virginia enjoyed excellent rail service which included 27 daily passenger trains. It was truly the hub of the Range's transportation system.

As auto and truck transportation increased in importance, and rail service diminished, communities that had a monopoly on economic activity, a large part of which was attributable to the rail, could no longer maintain that advantage. Rail and iron ore mining have been inseparable partners throughout the history of the Range.

Autos and trucks have become the transportation of choice in contemporary society because of their greater convenience, flexibility and government subsidies for highways. They are likely to remain the transportation of choice in the foreseeable future especially in outstate communities where no other options exist.

**Existing Transportation**

**Streets and Highways.** The City of Virginia is advantageously located at the confluence of Highways 169 and 53 which make it the gateway to northern Minnesota. Highway 53 was built as a bypass to replace Minnesota Highway 135 and relegated the latter to little more than a city street. While the original highway provided excellent access to downtown by all who passed through the City, Highway 53 made it difficult for motorists to access the City Center. It also changed the pattern of City development by shifting retail activity to a more visible and regionally accessible highway location.

Streets and highways that carry substantial volumes of traffic include Highway 53 which averaged between 9,000 and 21,000 vehicles per average day in 1992 and Highway 135 which carried between 5,000 and 10,000 vehicles per day in that same year. Other significant carriers include Sixth and Ninth Avenues West, 12th Avenue in the vicinity of the Thunderbird Mall and Eighth Street. All of these carried in the range of 3,000 to 6,000 vehicles per day in 1992.

There are a number of areas in the City of Virginia that experience excessive traffic congestion and conflict. Those where the greatest problems exist include the 12th Avenue/Highway 53 intersection, the 13th Street/Highway 53 intersection, and traffic in general along Highway 135 or Second Avenue where numerous points of traffic conflict exist. While the City's lakes are a tremendous community asset, they also create access barriers for downtown. When highway 169 was relocated to the south, it was anticipated that an extension would be built into the City of Virginia to correct this accessibility problem. Such extension has yet to be made.

Access at the Second Avenue/Highway 53 interchange is generally poor in that only north and southbound maneuvers are accommodated. Accessibility needs
to be improved in this area without compromising adjacent parks and residential areas. Highway 135 also needs to be upgraded to minimize attendant conflicts. MnDOT would prefer to turn this highway back to the City of Virginia rather than continue to maintain it as a state trunk highway. Negotiations are in progress to upgrade and turn this road over to the City. Existing street jurisdictions and traffic volumes are illustrated on Figure 15.

**Rail Service.** Limited rail service is still available to the City of Virginia via the Burlington Northern (BN) and Duluth Mesabi and Iron Range (DM & IR) Railroads. The City utilizes BN rail service to/from the power plant. This line crosses Highway 53 via an underpass and will continue to be needed to serve the City's cogeneration facilities.

The DM & IR railroad crosses Highway 53 at-grade just east of TARGET and services one or two industries in northern Virginia. This line has very limited utility but causes traffic disruption on Highway 53. It is anticipated that this latter line will be abandoned in the future. BN also provides service over a line located just west of Highway 53 in Mountain Iron, which line traverses only a small area of Virginia.

**Aviation.** A joint municipal commission representing Eveleth and Virginia owns and manages the Eveleth-Virginia Airport facility. It has two runways, one 4,200 feet in length and the other 2,550 feet long. Both are lighted and paved. The longer runway also provides for instrument approach.

The control building consists of 2,000 square feet of space which houses the Fixed Base Operator (FBO). It also contains vending food services, restrooms and a pilots lounge.

Taconite Aviation provides service on a contract basis with the Airport Commission. Services include fueling, airframe and engine maintenance, aircraft rentals, charters, flight instruction and snow plowing. Airport employees include one full time manager and one part time secretary. Administrative and clerical support is provided by the two cities. Fire protection is provided by Fayal Township volunteers. Police protection is provided by the St. Louis County Sheriff's Department.

Fifty local private planes are based at the airport plus two corporate aircraft. Air traffic approximates 18,000 landings/departures per year. Needs include drainage improvements and additional municipal hangars plus more sophisticated instrument approach technology to promote the growth and expansion of aviation services.

There is some concern that the airport provides the City of Virginia with too little service to warrant continuing financial support ($50,000 in 1993). No part of the City of Virginia is located with the airport's land use safety zone so the City has no responsibility for the regulation of land use to ensure aviation safety.
Figure 15
Legend

Existing Street Jurisdictions

- State/U.S. Trunk Highway
- Municipal/Co. State Aid St.
- County State Aid Highway
- Municipal State Aid Street
- County Road

Other Features

- Existing Rail
- Existing Bus Service
- (000) 1992 Average Annual Daily Traffic Count
- Existing Interchange

EXISTING TRANSPORTATION SYSTEMS

COMPREHENSIVE PLAN
City of Virginia, Minnesota
Public Transit. The City of Virginia is served by Arrowhead Transit which provides inter-city service throughout St. Louis County. This is a fixed route scheduled service which is offered at nominal cost to residents of the Arrowhead Region.

The City is also served by the Heartland Express which provides both fixed route and a demand responsive service. The circulator type service stops on the hour at the Alice Nettle Towers, East Range Clinic, Virginia Regional Medical Center, Mesabi Community College, Pine Mill Court and Arrowhead Nursing Home. It stops on the half hour at the Thunderbird Mall and downtown Virginia. The demand responsive or Dial-a-Ride service is provided on an as-needed or on-call basis. Eighty percent funding is provided by the State. Most of the City's 20% share is funded by fare revenues.

Transportation Plan

Streets and Highways. The proposed street and highway system consists of a functional hierarchy of streets including principal arterials, arterials, collector and local streets. Arterials and collectors comprise the major street network and they are generally under the jurisdiction of either the state or county. While major streets and highways are depicted on the transportation plan, the local street system includes all other streets that are not designated as major streets. Local streets are exclusively the responsibility of the City to maintain and regulate.

The street system is intended to continue to consist of a dense gridiron street pattern in the older areas of the City of Virginia to allow for the dispersal of traffic across many streets rather than have it concentrated on relatively few major arteries. This is in keeping with the traditional development pattern that was established during the early part of the century.

On the other hand, the system establishes a system of major roadways to carry traffic which has differing functions and trip lengths. Generally, arterial roadways are intended to allow traffic to move at higher speeds over longer distances. Trunk Highway 53 is categorized as a principal arterial because it accommodates through traffic and has relatively few points of conflict. The only other arterial roadways proposed by the plan include Highway 135, Eighth Street, a portion of 12th Avenue between Highway 53 and Eighth Street and the extension into the City of a connection from 169 to Ninth Avenue West. A split-diamond interchange is intended for Highway 53 at Trunk Highway 135 and 2nd Avenue.

Collector streets comprise the bulk of the major street system. They are intended to accommodate traffic movements within neighborhoods and industrial and commercial areas. Their purpose is to collect traffic from local streets and distribute it to or between arterial streets. They move moderate volumes of traffic at relatively modest speeds over intermediate distances. The most important new collector street proposed by the plan is one that will replace 13th Street South while serving as a frontage road for Highway 53. This collector would also extend easterly at 12th Street South into the old City of Franklin to serve as an industrial park collector street.
Local streets move low volumes of local traffic at low speeds (maximum of 35 mph) over relatively short distances (less than 1/3 mile) within neighborhoods. Their primary purpose is to provide direct access to and from individual properties.

In the Midway Area, the street system is intended to evolve as a more suburban type network that responds to the natural contours of the land. In this area a dense grid system is undesirable given the significant vertical topographic change.

**Rail Service.** The City of Virginia intends to encourage the abandonment of the DM & IR Railroad that services the west side of Virginia because it is detrimental to traffic flow along Highway 53. It also provides almost no service to Virginia businesses. The City intends to acquire the abandoned right-of-way for future park, open space, trail and transportation use. The City intends to maintain rail service via another line to its cogeneration plant.

**Aviation.** The City of Virginia intends to continue to support the Eveleth-Virginia Airport as a needed public service facility.

**Public Transit.** As the City's population continues to age, increasing transit dependency, it will become ever more important to improve the level of quality of transit service in conjunction with current providers. The City intends to support a public transit service that meets the needs of its residents.

**Transportation Plan Objectives**

1. To develop a system of streets that is in keeping with the historical patterns of Virginia's urban development while providing major streets that separate traffic according to length of trip, speed and accessibility.

2. To provide a balanced multi-modal transportation system that consists of streets and highways, public transit, pedestrian ways, rail and air transportation.

**Transportation Policies**

The City's transportation policies are to:

1. Reduce the number of direct driveway accesses to the arterial and collector street system as part of the development and redevelopment process.

2. Require that driveway accesses be adequately spaced along major streets to minimize traffic conflicts.

3. Construct sidewalks and, where applicable, bikeways/trails as integral parts of the upgrading and construction of major streets.
4. Use traffic management techniques to minimize traffic volumes and through traffic on local residential streets but avoid the use of stop signs for traffic control purposes where unwarranted by cross traffic volumes.

5. Consistently apply the dense grid street pattern to areas within and adjacent to the old City. Allow maximum flexibility in the Midway and other severe topographic areas to insure that streets fit the natural contour, thus protecting natural land forms.

6. Require traffic impact studies for larger developments.

7. Require that right-of-way for major roadways (arterials and collectors) be protected for future use as development ensues. And, require the dedication of local street rights-of-way.

8. Continue to implement a street replacement program within conservation neighborhoods and a phased cost sharing program to share costs between the City and residents.

9. Require that new residences back or side to major streets rather than have driveway accesses directly onto them.

10. Continue to support the upgrading of public transit services to serve the needs of Virginia area residents, especially the transit dependent.

11. Continue to provide financial support for the joint airport facility.

12. Cooperate with St. Louis County and the Minnesota Department of Transportation in the coordination and development of transportation improvements.

13. Protect all railroad rights of way as future open space and trail corridors.
### Table 22
**Functional Street Classification**

<table>
<thead>
<tr>
<th>Location</th>
<th>PRINCIPAL ARTERIAL</th>
<th>ARTERIAL</th>
<th>COLLECTOR</th>
<th>LOCAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>At neighborhood edges</td>
<td>At neighborhood edges</td>
<td>On edges or within neighborhoods</td>
<td>Within neighborhoods</td>
</tr>
<tr>
<td>Land access</td>
<td>None</td>
<td>Limited</td>
<td>Spaced access</td>
<td>Direct access</td>
</tr>
<tr>
<td>Traffic control</td>
<td>Signals/grade-separated</td>
<td>Signals &amp; stop signs where warranted</td>
<td>Signs &amp; stop signs where warranted</td>
<td>Traffic control as warranted/cul-de-sacs/diverters</td>
</tr>
<tr>
<td>On-street parking</td>
<td>Not permitted</td>
<td>Not permitted</td>
<td>Restricted by width</td>
<td>Restricted by width</td>
</tr>
<tr>
<td>Land use connections</td>
<td>Inter-city</td>
<td>Inter-city</td>
<td>Connects neighborhoods</td>
<td>Connects blocks</td>
</tr>
<tr>
<td>System connections</td>
<td>To arterials</td>
<td>To arterials</td>
<td>To arterials</td>
<td>To collectors/locals</td>
</tr>
<tr>
<td>Service performed</td>
<td>Long trips</td>
<td>Medium to long trips</td>
<td>Within City - links to rural county</td>
<td>Short trips within city</td>
</tr>
<tr>
<td>Travel speed</td>
<td>High</td>
<td>Moderate to high</td>
<td>Moderate</td>
<td>Low</td>
</tr>
<tr>
<td>Traffic volume ranges (AWDT)</td>
<td>10,000 - 30,000</td>
<td>5,000 - 10,000</td>
<td>500 - 5,000</td>
<td>&lt;500</td>
</tr>
</tbody>
</table>

### Table 23
**Street and Highway Access Control Guidelines**

<table>
<thead>
<tr>
<th>General type of access control</th>
<th>PRINCIPAL ARTERIAL</th>
<th>ARTERIAL</th>
<th>COLLECTOR</th>
<th>LOCAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interchange access preferred</td>
<td>Public street access only.</td>
<td>Some access major generators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Desirable spacing of accesses along:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum</td>
<td>1 mile</td>
<td>500'</td>
<td>300'</td>
<td>50'</td>
</tr>
<tr>
<td>Desirable</td>
<td>N/A</td>
<td>1,200'</td>
<td>600'</td>
<td>100'</td>
</tr>
<tr>
<td>Corner clearance to nonpublic entrance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum</td>
<td>N/A</td>
<td>50'</td>
<td>30'</td>
<td>30'</td>
</tr>
<tr>
<td>Desirable</td>
<td>N/A</td>
<td>100'</td>
<td>100'</td>
<td>100'</td>
</tr>
</tbody>
</table>
Table 24
Street and Highway Design Standards *

<table>
<thead>
<tr>
<th>DESIGN ELEMENTS</th>
<th>PRINCIPAL ARTERIAL</th>
<th>PRINCIPAL ARTERIAL</th>
<th>COLLECTOR</th>
<th>LOCAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number traffic lanes</td>
<td>4</td>
<td>4</td>
<td>2-4</td>
<td>2</td>
</tr>
<tr>
<td>Traffic lane widths (ft)</td>
<td>12-14</td>
<td>12-14</td>
<td>12</td>
<td>10-12</td>
</tr>
<tr>
<td>Curb parking or shoulder width (ft)</td>
<td>No parking</td>
<td>No parking</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Min. pavement width (ft)</td>
<td>24</td>
<td>52</td>
<td>36(^\text{a})</td>
<td>28(^\text{a})</td>
</tr>
<tr>
<td>Median width (ft) (If applicable)</td>
<td>N/A</td>
<td>16</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Min. right-of-way width (ft)</td>
<td>200 - 300</td>
<td>80 - 120</td>
<td>60-80</td>
<td>60</td>
</tr>
<tr>
<td>Design speed (mph)</td>
<td>55 - 65</td>
<td>45</td>
<td>35-40</td>
<td>30</td>
</tr>
</tbody>
</table>

1 Per direction  
2 With parking on one side only  
3 With parking on one side only  

* These standards are intended to serve as guides for street and highway development. Actual circumstances may warrant a departure from these guidelines.
Existing Community Facilities and Services

City Administration. The Virginia City Hall has 9,000 square feet and it houses 12 employees. Departments include city administration, engineering, city clerk and treasurer and ancillary services. The building was built in 1923 and is proposed to be remodeled at a cost of approximately $900,000. The City employs a total of 183 people excluding the hospital.

Fire and Rescue. The fire department consists of a chief, three assistant chiefs, three captains and 15 fire fighters. Twenty-one personnel are assigned to three shifts and the average duty week for shift personnel is 53 hours based on a schedule of 24 hours on duty followed by 24 hours off duty. Three members of the department are assigned secondary responsibilities. One serves as the city fire marshall, one as the fire training officer and the third as an emergency medical services coordinator.

In 1990, the fire department responded to 1,498 calls with 1,344 being ambulance and 154 being fire and miscellaneous responses. In 1991, the department responded to 1,764 calls including 1,575 ambulance and 189 fire and miscellaneous calls. A vast majority of the department’s workload is ambulance rather than fire related. The department has mutual aid agreements with Gilbert, Eveleth, Mountain Iron and Biwabik and provides service to Inland Steel by contract.

The department operates one of only two ALS [advanced life support] services in northeastern Minnesota covering a primary service area of approximately 520 square miles. The rescue service area encompasses the cities of Virginia, Mountain Iron, Gilbert and several townships. Its intercept area covers 575 square miles within which it will intercept ambulances from several other service areas for transport to the Virginia Regional Medical Center. Another major responsibility includes the transportation of patients from the Regional Medical Center to hospitals in Duluth, the Twin Cities and Rochester. In summary, the pertinent characteristics of the Virginia Fire Department are:

1. The department is substantially a rescue service since 90% of its responses are ambulance calls.

2. The ambulance service is regional in nature with one-half of all ambulance calls being from outside the City.

3. The ambulance service is one of only two ALS services in northeastern Minnesota.

4. While 70-75% of the ambulance service calls are emergency responses, a substantial percentage involves patient transfer services between nursing homes and other medical facilities.
5. Most fire calls are not fire related, involving fuel leaks, auto accidents, rescue calls, dive team responses, smoke scares and similar activities.

In essence, the Virginia Fire Department is operating a regional ambulance service for the Virginia Regional Medical Center which owns the service but only partially reimburses the City of Virginia for the staffing of the service.

In 1990, the current operating expenditures for the Fire Department, as listed in the State Auditor's Report, were $776,150 or $82.48 per capita. The average per capita fire expenditure for the 39 cities studied having a population of 9,000-20,000 people was $28.24 or about $54 less than Virginia spent in 1990 per capita on fire service. Only two cities exceeded Virginia's per capita fire expenditures in 1990 (Hibbing and Red Wing). The low per capita expenditure by cities in this population category is largely attributable to paid-on-call or volunteer departments. Where Virginia spends $82.48 and Duluth $92.70 per capita for full time departments, Bloomington spent just $23.34 per capita on fire and rescue service in 1990. Bloomington has a volunteer department.

The department has a policy of maintaining four people on duty at all times. Where a response leaves only two people in the station, two additional personnel are immediately called to duty to maintain the four staff minimum.

The department maintains the following fire and rescue apparatus:
- One 1,500 gpm pumper
- One 1,250 gpm telesquirt (telescoping ladder) pumper
- One 85 foot aerial ladder
- One multi-purpose rescue van
- One 4x4 brush fire and utility truck

In addition, the department has a rescue boat and trailer, a rescue sled for ice water rescue, an oxygen cascade system, a snowmobile and numerous fire fighting and rescue tools and equipment. The department is considered suitably equipped to carry out its fire and rescue responsibilities.

The ambulance service is owned by and licensed to the Virginia Regional Medical Center. The Medical Center owns, maintains, equips and replaces the ambulances and sets fees and performs all billing in conjunction with the ambulance or rescue service. The ambulance service is operated and staffed, however, by the fire department. Of the 21 fire department members assigned to shifts, 12 are paramedics, seven are EMT-D level personnel and two are EMT-I's.

The fire and rescue service is among the most popular of services offered by the City of Virginia. A community survey conducted as part of the comprehensive planning process indicated that 90.5% of respondents ranked ambulance service as either excellent or good, followed closely by fire protection at 89.9%. While the present fire and rescue service is a very expensive one, the public seems to strongly support its continuation. It has a fire service rating of 5.
Several years ago some discussion ensued regarding the potential to create an area-wide fire service for Virginia, Eveleth, Gilbert and Mountain Iron. Such a proposal has significant merit and should be further studied. The department has a modern facility that adequately serves the needs of the community. It is also adequately equipped to provide this needed service.

**Police.** The Police Department has a total of 24 sworn officers and one civilian including the Chief of Police, one captain, four lieutenants, four sergeants, two detectives, twelve patrol officers and a secretary. The ratio of sworn employees per thousand population was 2.55 in 1993. This is slightly higher than for cities in the range of 10,000-25,000 where the average is 2.32 employees per thousand population nationally.

Minnesota cities in the range of 9,000-20,000 population average 1.38 sworn officers per thousand population. Virginia has the highest ratio of officers per thousand of all cities in this population group and the third highest crime rate.

The 1992 budget for police expenditures was $1,213,015 or $128.91 per capita. For the 35 Minnesota cities covered by the State Auditors Report in 1990, the per capita police expenditure was $86.38.

The department continues to operate its own dispatching service which is manned by sworn personnel. It also operates its own jail for not only Virginia prisoners but a substantial area of St. Louis County. The Public Safety Services Study completed by the Par Group in April 1993 strongly urged the police department to turn the dispatching function over to St. Louis County and transfer all jail operations to the Sheriff's Department. It further urged that so long as the police department continues to perform these functions, they should be manned by civilian personnel rather than sworn officers. Most contemporary departments have ceased operating jails other than for detention purposes and use civilians as dispatchers.

**Public Works Department.** The City Public Works Department employs 27 supervisors, engineering assistants, mechanics, equipment operators and maintenance personnel. They operate the City's public utilities and solid waste services while providing central repair services for all City departments including the Public Utilities Commission, and the Police, Parks and Recreation Departments.

While improvements are included in the capital improvements program, current plans provide for a 33 year replacement cycle for arterial and collector streets only. Residential streets are deteriorating and a long-term residential street reconstruction program is necessary.

**Waste Water Treatment.** The City operates an activated sludge sewage treatment system which includes a 1.5 million gallon retention tank, two activated sludge aerator tanks and a variety of ancillary treatment facilities. The facility has a continuous discharge to the Manganika Creek which is a Class 7 water
and it is designed to treat an average flow of 2.7 million gallons per day (mgd) with a peak flow capacity of six mgd with additional flow storage of 1.5 million gallons.

The waste treatment facility is managed under contract by Northeast Technical Services Inc. (NTS) of Virginia, Minnesota. Staffing includes a plant superintendent and six operators and technicians. The City opted to contract for this service during the mid-1980s attributable to changes in MPCA guidelines and testing requirements. For 1994, $891,000 was budgeted for wastewater treatment including plant operations and debt service.

The treatment plant generally has sufficient capacity except during periods of high rainfall when the collection system receives excessive amounts of inflow and infiltration (I & I) attributable to surface water runoff. The major problem with I & I occurs between the main and the service especially with homes built before 1940. Sump pumps which connect directly to the sanitary sewer system also contribute to the I & I problem. While City law prohibits clear water discharges to the sanitary sewer system, the ordinance is not regularly enforced. The City is currently in the process of adding additional storage capacity to buffer the system during peak rainfall periods. Raw sewage is dumped directly into the creek during periods of excess precipitation when the treatment plant cannot handle the entire flow.

The planned excess flow retention at the wastewater treatment plant will provide relief from current bypass problems but will treat the symptoms rather than the real problem. A problem of I & I reduction would treat the source of the problem. Other problems include storm water and drainage cross connections, aged brick and mortar manholes, and most importantly private sewer service connections that do not comply with City codes and ordinances. These violations include the connection of footing and foundation drains, sumps and sump pumps directly to the sanitary sewer system.

Public Water: The City's current public water supply system is in generally good condition but over the long haul will need upgrading. It utilizes pressure filters which are no longer acceptable. These will eventually need to be replaced with gravity filters.

There is currently inadequate land to accommodate treatment plant expansion on its present site. It will require redevelopment to meet contemporary water treatment plant facility standards. The water source is the mine pit just east of First Avenue. To meet PCA requirements, the system includes a deep well whose source is the pit.

Steam and Electricity. The Public Utilities Commission (PUC) oversees the operation of a cogeneration steam and electric generating system which includes three combination gas-coal fired boilers and three turbines. A fourth boiler was in service by the end of 1993.
The system has a capacity of 31 megawatts of electrical generation and 400,000 pounds of steam generation. The Department of Public Utilities operates and maintains the cogeneration facility and all transmission lines throughout the service area. Peak demands within the system are 21 megawatts electrical and 300,000 pounds of steam.

The department employs approximately 70 workers and shares maintenance duties, equipment, time and cooperative service, with all other City departments on an as-needed basis.

The PUC has a cooperative agreement with Minnesota Power. Under the terms of this "brokered power agreement," Minnesota Power agrees to provide, as needed, up to 20 megawatts of electricity to the PUC at the cheapest available rate. In return, the PUC agrees to provide Minnesota Power with up to five megawatts on demand at a fixed price.

The steam service area includes approximately 2,300 residential customers and 600 commercial and industrial customers. According to the department, it is the largest municipal steam heat system still in operation in a country. Some customers are being lost through attrition particularly at the edges of the service area where steam heat is the least effective. Some areas of the City are not served including the Ridgewood, Williams and Midway Additions, the Thunderbird Mall, the Industrial Addition, Alpeena and areas east of Sixth Avenue North.

Electricity is provided to approximately 4,800 residential customers and another 1,000 commercial and industrial users. Some of these customers are located outside of the City limits. Virtually the entire City is provided electric service by the department with limited exceptions east of the mine pit in the vicinity of the East Mesaba landfill.

Department identified needs include the completion of the 13.8 KV conversion and development of overcurrent protection plus the construction of additional feed points. The steam infrastructure is in need of considerable replacement and/or repair and the system provides for no condensate return. The steam system serves an area that is geographically large. A shrinkage in this area will likely need to occur if the system is to maintain a relatively high degree of efficiency and cost effectiveness.

A utility efficiency study has recently been completed by Associated Utility Consultants of Vancouver, Washington which calls for the implementation of one of several strategies including: 1) sell the utility now, 2) phase out the steam utility, 3) sell the electric utility or 4) make needed improvements over the next five to ten years to make the utility viable.

**Natural Gas.** The Department of Public Utilities buys gas from Northern Natural Gas Pipeline Company and retails it to residential and commercial customers...
throughout the City. The department's distribution system consists of 50 psi high pressure mains and 2-5 psi low pressure distribution lines and services. It currently serves approximately 750 gas customers who consume approximately 240 million cubic feet of gas per year. This includes gas that is used by the department to fire the boilers at the cogeneration plant.

**Waste Management.** The City operates its own solid waste collection and recycling service. It has two automated garbage trucks plus two operators which provide a weekly service. It is a volume-based system that utilizes three sizes of plastic bags that must be purchased by the customer (8 gallon, 30¢; 15 gallon, 50¢; 30 gallon, $1.00). The customer disposes of the filled bags in 300 gallon containers located in the City's alleys.

The City provides an every-other-week curbside recycling service to meet the 25% by volume state recycling mandate. This service has four employees plus equipment to service both residential and commercial customers.

The budget for the solid waste and recycling service in 1994 was $1,269,000. This includes approximately $550,000 for City operations, $350,000 in landfill tipping fees and over $300,000 in the form of a contribution to St. Louis County who is mandated by the State of Minnesota to operate a county wide waste management system. Because of its high cost, the City has considered contracting for this service.

One of the remaining St. Louis County landfills is located in the City of Virginia. The County is responsible for maintaining that facility and is currently involved in the evaluation of expansion potential. It is the intent of the City to monitor the process carefully to ensure that the City's interests are considered.

**Public Library.** The Virginia Public Library was originally constructed in 1911 and added to in 1984. It has a total of 19,000 square feet on two floors. It has 95,000 volumes plus other materials. It is currently operating at capacity and reductions in materials are planned. The library employs approximately 13 full time equivalent persons.

The Virginia Library is one of only four large public libraries in northeastern Minnesota. The others are in Hibbing, Duluth and Grand Rapids. The Virginia Library is a member of the Arrowhead Library System which includes 29 public libraries in seven northeastern Minnesota counties with inter-library loan request and delivery services.

The Virginia Library serves a geographic radius of up to 60 miles. It provides important access to public governmental, financial and business information.

Needed improvements include compliance with the Americans With Disabilities Act (ADA), a change in desk locations to improve traffic flow and access to the
Internet Information System to accommodate CD and computerized formats in publishing.

**Health Care.** The City owns the Virginia Regional Medical Center, an 83 bed acute care facility located at Ninth Street and Ninth Avenue in Virginia. The building was originally constructed in 1936. The facility is currently self-supporting and receives no contribution from the City of Virginia's municipal budget. Fees sustain both operations and capital improvements.

The hospital facility had a total of 275 acute beds in 1986, a number which decreased to 83 acute beds in 1993. It also includes a 116 bed nursing home which occupies the top two floors.

The Virginia Regional Medical Center is the lead agency in a service sharing agreement with Eveleth Medical Park, Cook Hospital, White Community Hospital in Aurora and 20 clinics in north and north central Minnesota. It receives support from mobile units for MRI. It has cooperative arrangements with St. Mary's Cardiac Rehabilitation Center, Coastal Emergency and Quorum Health Management. It also provides intercept services for incoming ambulance calls and advanced life support in northeast Minnesota from Duluth north and Grand Rapids east.

The Center has a variety of problems not the least of which is its inability to attract physicians. It is currently in the process of recruiting 15 physicians in addition to the 30 that practice in Virginia. The hospital generally operates at less than 50% occupancy. Another problem is the lack of nursing home beds and too little cooperation with the East Range Clinic, which provides duplicative services and technology. A major issue is whether the hospital should be a public or private facility.

Also of concern is the rising percentage of fixed payment care attributable to federal funding limitations and HMO controls. This makes it increasingly difficult to stabilize its operation. Plans for expansion include laboratory space, renovation of existing facilities and improvements to emergency services and x-ray.

**Public Schools.** The City has the good fortune of having within its borders the Mesabi Community College which has a student enrollment of 874 in May 1994. Virginia is also the focus of the Virginia Area Public School District which includes James Madison Elementary, Roosevelt Elementary and the Virginia Secondary School which houses both junior high and senior high school students. The enrollment summary for the past 20 years is illustrated in Table 25 as follows:
While the enrollment continued to decline, from its peak of 3,515 in 1866-67 to 2,091 in 1888-89, open enrollment accounts for approximately 250 additional students and could bring $1.3 million in state aids into the county. Open enrollment has allowed the District to show a pattern of modest growth for the past five years.

A new elementary school will be constructed in 1994 to accommodate grades K-3. Additional District needs include upgrading of the high school to provide for improved fire and handicapped access.

Community Facilities and Services Plan

The City of Virginia provides a broad range of high quality, high cost local public services, a substantial portion of which (66%) is paid for by the State of Minnesota via local government aids (LGA), equalization and disparity aids and HACA. While the City should continue to take advantage of such revenues in the short term, it cannot and should not continue its dependency on them indefinitely given the shift
in legislative power from greater Minnesota to the Twin Cities suburbs. In order to assure survival, Virginia will need to plan for its own economic independence and use currently available resources wisely to leverage that independence.

This Comprehensive Plan simply cannot offer a solution to this looming problem without considerably more study. In some cases, individual studies are already in progress (steam and electric utilities). In others, fire and police, studies have been recently completed. While the study of individual services is important, there are much larger issues needing to be addressed in an inter-governmental context.

One of the most important activities the City of Virginia can undertake in the short term, is to make a significant effort to bring the cities of Mountain Iron, Gilbert, Eveleth and Virginia together to discuss their collective future. From this, a number of windows of opportunity should open to affect greater cooperation and improve the cost/value ratio for services for all quad city residents.

Community Facilities and Services Objectives

1. To maintain quality public services at an affordable cost to citizens.

2. To reduce the City's dependency, over time, on the State of Minnesota for the funding of local public services.

3. To reduce the excess and unnecessary costs of public services.

4. To correct existing public service problems in the most cost effective manner possible.
EXISTING COMMUNITY FACILITIES

COMPREHENSIVE PLAN
City of Virginia, Minnesota

Figure 17

Legend

A Post Office
B City Hall/Va Area Development Assn.
C St. Louis County Courthouse
D Virginia Public Library
E Virginia Public Schools
F Public Utilities
G Heritage Museum
H East Range Clinic
I Curling Club
J Fitness Trail
K Virginia Public Golf Course
L Greenwood & Calvary Cemeteries
M Virginia Regional Medical Center
N Olcott Park & Greenhouse
O World's Largest Floating Loom
P Mesabi Community College
Q Miner's Memorial/Ewens Athletic Field
R National Guard Armory
S Peppler Park/Southside Park/Tennis Courts & Softball Fields
T State Highway Garage
U Virginia Chamber of Commerce
V Mesabi Family YMCA

Hoisington Koegler Group Inc.

Project Number: 92-64
File Name: VIRGINIA\92-64\EXCPLAN.DWG
Date: 12/15/85
Revisions:

Land Use / Environmental * Planning / Design

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Community Facilities and Services Policies

The City's policies for Community Services and Facilities are to:

1. Explore a broad range of public servicing contingency alternatives, ranging from service sharing to complete consolidation, designed to lower costs while maintaining an acceptable level of service in the event State Local Government Aids are substantially reduced or curtailed altogether.

2. Implement the recommendations of the April 1993 Public Safety Study with particular attention given to a paid-on-call reserve fire and emergency force, a joint City/County law enforcement center, shifting of all jail operations and dispatch to St. Louis County and levying costs of regional ambulance service to other benefiting municipalities.

3. Consider the long-term reorganization of the police and fire departments, including a paid-on-call fire and emergency service, such that jobs are not lost and service is not compromised.

4. Continue public financial support for the cemetery.

5. Implement one of several strategies postulated by the December, 1993 Public Utilities Efficiency Study as a means to maintain long term viability of the system.

6. Consider alternatives to maintain the viability of the Virginia Regional Medical Center.

7. Enforce prohibitions against the pumping of sumps and the connection of drain tile directly into the sanitary sewer system as means to decrease capital and operating costs at the sewage treatment plant.

8. Implement strong measures to manage and reduce the volume of solid waste that will need to be "stored" in landfills.

9. Cooperate with school districts, cities and the County in the delivery of the most efficient level of public services.

10. Support the highest level of public education possible.
Existing Parks and Recreation Facilities

The City of Virginia has a generous supply of public parks and recreation facilities when compared with accepted National Recreation and Park Association (NRPA) standards which call for between 6.25 and 10.5 acres per thousand population. It has 12 parks comprising approximately 130 acres. NRPA standards would suggest a maximum of approximately 100 acres. The City also has the Virginia Municipal Golf Course, an 18-hole facility with driving range, with a total of 105 acres. Although it may not be used frequently by the general public, the James Madison School also has a small playground area which is primarily used by students.

The City has two exceptional parks in Olcott Park and the Silver Lake Beach. Both are categorized as community parks because they serve the needs of the entire Virginia community. It also has the south shore of Bailey's Lake which offers an opportunity to create a park of significant historical interest and value. The City has great opportunities to create or expand upon the open space corridors that surround and connect the two City lakes. Of importance is the opportunity offered by existing rail lines one of which will continue to be used to service the power plant, the other of which is losing its reason for existence. All of these are resources that should be incorporated with a future park and trail system plan.

While the system has many assets, it also has a number of deficiencies. Over 90% of the City's parks are categorized as community parks because the facilities within them service the entire community. Only eight acres are classified as neighborhood parks which means there is a deficiency in these parks. Neighborhood parks are intended to be the focus of neighborhoods and provide facilities primarily for neighborhood residents. Instead, most all of the parks located in neighborhood settings, provide facilities that serve the needs of the entire community. The bocce courts on the old Jefferson School site are a good example of community-wide facilities occupying a park that should primarily serve the needs of the neighborhood.

The east side neighborhood or that area lying easterly of Sixth Avenue essentially has no neighborhood park. While this area houses a substantial part of the City's population, it has no neighborhood park facility of its own.

Generally speaking, the City's parks are in a state of disrepair. They do not enhance neighborhood values and some are too small to satisfy the needs of neighborhood residents. While it is not the intent of the City of appreciably increase the size of these small neighborhood parks, consideration should be given to their expansion as adjacent properties become available. Much work needs to be done to reinvest in the City's park system as a means to enhance their value to residents.
Since geographic identity is one of the key attributes of a park system, it would be helpful for the parks to be named. Names help to create identity for the neighborhood and orientation for park users.

The City has a substantial sidewalk system capable of accommodating pedestrian movements throughout the City of Virginia. It does not have a designated trail system which creates linkages to and throughout the City for bikers, cross country skiers and longer distance hikers. The City is, however, in the process of defining a trail link between South Side Park and the Midway area as a means to connect this more distant area to the core City.

The park department is staffed by one supervisor, five maintenance personnel, a greenhouse attendant and an arena staff member. In addition, part-time employees are used during the summer at the golf course.

The parks department operates the summer tennis, youth baseball, figure skating and golf programs. City facilities are also used for programs operated by other organizations including men's and women's softball leagues, the Bocce Ball League, men's and women's golf leagues, youth hockey and the trap club. The trap or gun club has a 30 year lease on land owned by the City at Silver Lake.

The City also owns and operates the greenhouse in Olcott Park which provides plantings for park and open space areas throughout the City. There is some concern about the cost of the greenhouse operation, the amount of resources it consumes and its effect on other park and recreation services.

Needs that have been identified include improvements to the water quality of Silver and Bailey's Lakes. The beach has been closed in recent years by the St. Louis County Health Department due to water quality problems. The City has considered a water slide development at Silver Lake.
<table>
<thead>
<tr>
<th>Name/Location</th>
<th>Approximate Size [ac]</th>
<th>Classification/Jurisdiction</th>
<th>Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jefferson School</td>
<td>2</td>
<td>City-Community</td>
<td>Basketball/bocce/hockey rink/shelter</td>
</tr>
<tr>
<td>Olcott Park</td>
<td>38</td>
<td>City-Community</td>
<td>Picnic/playground/ball field/tennis/fountain/greenhouse</td>
</tr>
<tr>
<td>Silver Lake Beach</td>
<td>12</td>
<td>City-Community</td>
<td>Swimming beach/ball field/picnic</td>
</tr>
<tr>
<td>Miners Memorial</td>
<td>30</td>
<td>City-Community</td>
<td>Football stadium/hockey arena/hockey rinks</td>
</tr>
<tr>
<td>Ridgewood</td>
<td>&lt;1</td>
<td>City-Community</td>
<td>Playground/hockey/basketball/shelter</td>
</tr>
<tr>
<td>Mill 40</td>
<td>&lt;1</td>
<td>School-Owned</td>
<td>Skating rink</td>
</tr>
<tr>
<td>Southside</td>
<td>15</td>
<td>City-Community</td>
<td>Tennis/ball fields[3]/playground/basketball/picnic</td>
</tr>
<tr>
<td>Midway Parks (2)</td>
<td>3</td>
<td>City-Neighborhood</td>
<td>Hockey rink/playground/basketball</td>
</tr>
<tr>
<td>Midway School</td>
<td>&lt;1</td>
<td>City-neighborhood</td>
<td>Tennis</td>
</tr>
<tr>
<td>Bourgin Park</td>
<td>18</td>
<td>City-Community</td>
<td>Nature park</td>
</tr>
<tr>
<td>Pine Mill</td>
<td>3</td>
<td>City-Playground</td>
<td>Picnic/playground</td>
</tr>
<tr>
<td>Total City Acreage</td>
<td>129</td>
<td></td>
<td></td>
</tr>
<tr>
<td>James Madison School</td>
<td>1</td>
<td>School-Playground</td>
<td>Playground/ball field</td>
</tr>
<tr>
<td>Municipal Golf Course</td>
<td>105</td>
<td>City</td>
<td>18-hole golf course</td>
</tr>
</tbody>
</table>

Figure 18

Legend

1. GOLF COURSE: 105 ACRES, 18 HOLE GOLF COURSE & DRIVING RANGE
2. COUNTRY HOUSE: 20 ACRES, 2 TENNIS COURTS, BALL FIELD, PICNIC AREA, PLAYGROUND EQUIPMENT
3. HUMANOID PARK: 10 ACRES, 2 TENNIS COURTS, VOLLEYBALL COURT, BASKETBALL RUTS, PLAYGROUND EQUIPMENT, PICNIC AREA, BASKETBALL COURT
4. MINNESOTA MEMORIAL COMPLEX: BUILDING, ARENA, FACILITIES
5. INLAND OCEAN: TENNIS COURT, BASEBALL FIELD, BASKETBALL COURT
6. JEFFERSON SCHOOL: 12 BRICK BUILDING, BASKETBALL RUTS, OUTDOOR SWIMMING POOL
7. LAKE LENORES AREA: SWIMMING BEACH, PICNIC AREA, BASEBALL FIELD
8. VISTA MEADOWS: TENNIS COURT, PLAYGROUND EQUIPMENT
9. MILL AREA: OUTDOOR SKATING RINK
10. BRANDWOOD: OUTDOOR SKATING RINK, PLAYGROUND EQUIPMENT, BASKETBALL RUTS
11. MIDWAY PARK: OUTDOOR SKATING RINK, BASKETBALL RUTS
12. MIDWAY SCHOOL: 2 TENNIS COURTS
13. BOYD PARK: 18 ACRES, NATIVE PARK

EXISTING PARKS

COMPREHENSIVE PLAN
City of Virginia, Minnesota
Park and Recreation Plan

Because the City already has ample land in its park system, it is not the intent of this plan to add appreciably to the land inventory. It is the intent of the City, however, to create a more balanced park system that serves the needs of neighborhoods and the community as a whole. It is also the intent of the plan to create a community focus around the City's lakes as a means to attract both residents and visitors. These parks are intended to be the centerpiece of social and recreational activity in the City of Virginia. For the purpose of this plan, the system is intended to consist of four types of park and recreation facilities as follows:

Mini-Parks. These are very small parks that are intended to focus on the recreation needs of an area that is generally smaller than the neighborhood. They may occupy sites where houses have been or are to be removed. Depending on demographics, some may serve as tot lots while others serve as passive parks for elderly patrons.

Neighborhood Parks/Playgrounds. Neighborhood parks are centrally located within neighborhoods and are designed primarily for use by neighborhood residents within easy walking and biking distance of homes. They are intended for both active and passive activities such as game fields, court games, crafts, playground apparatus, skating rinks and picnicking. They are generally not intended to accommodate organized athletic activities. Wherever possible, they should be combined with elementary schools to encourage joint use. Each neighborhood should have a neighborhood park of such size to be able to accommodate the recreational and social needs of that neighborhood. A total of five neighborhood parks comprising 10-15 acres of land are defined by this plan.

School Parks. These are joint-use elementary school facilities that include playground equipment and informal play areas primarily for use by school children and neighborhood residents. Wherever possible, joint-use parks should be encouraged in deference to single-purpose neighborhood parks.

Community Parks. Community parks are generally larger than neighborhood parks and are intended to serve the entire community. These are areas of diverse environmental character and contain both active and passive recreational facilities including facilities for organized athletic events, tennis courts, basketball courts, picnic areas, trails and nature interpretation. Wherever possible, these correlate with unique natural features for the purpose of environmental protection. While the City has ample land in this category, restructuring of the park system could place greater demands on the community park system to provide active game fields. The City is already deficient in ball diamonds as evidenced by the immediate need to build additional facilities.

The most important community parks include Olcott Park which is the most historic of the City's many park facilities. Olcott Park has rather substantial topographic relief and mature overstory vegetation. It also includes the City greenhouse. It is a very attractive park and its character and function should be maintained. Because the lakes are the centerpiece of the City's urban fabric,
they too are intended to serve a community park function with Silver Lake offering more active water related activities including swimming and carefully controlled water surface activities. Bailey's Lake, on the other hand, should serve the role of an historic center for social and recreational activities with a special historical focus on the south shore of the lake where it interfaces with downtown Virginia. The south shore should be committed to trails, historical interpretation, historic replication and community arts, recreation, cultural and social activities.

**Park and Recreation Objectives**

1. To provide systems that satisfy the needs of a changing and diverse community.

2. To provide systems that create a distinction between parks and the facilities they offer based on neighborhood and community-wide needs.

3. To provide a system that creates identity for and fosters unity within neighborhoods.

4. To establish a trail system that interconnects the City and offers an alternative means of transportation for residents and tourists.

5. To focus primarily on park maintenance, improvements and image enhancement rather than expansion.

**Park and Recreation Policies**

The City's park, recreation and trails policies are to:

1. Maintain the present park system and add park land only where there is an identified deficiency.

2. Continue to purchase lakeshore lands and uses that conflict with the lakes environment as properties become available to enhance the City's image.

3. Take steps to improve the water quality of the City's lakes to allow their use for recreational activities.

4. Restructure or redesign parks within neighborhoods over time, as money can be made available, to make them primarily serve the needs of neighborhood residents.

5. Cooperate with the Virginia Area School District to develop and maintain joint-use school-park facilities.

6. Provide opportunities for the all season use of parks, particularly Bailey's Lake.
7. Maintain a level of activity within parks that is consistent with its surroundings, especially in neighborhood settings.

8. Establish a safe and convenient trail system which interconnects schools, parks, community recreation facilities and other community activity centers.

9. Provide facilities which meet the needs of residents of all ages from children to the elderly.

10. Maintain the existing urban forest at Olcott Park and expand it wherever the City parks system allows and monies are available.

11. Continue to support golf and golf course improvements using golf course revenues as the primary source of funding.

Table 27
Park Land Needs

<table>
<thead>
<tr>
<th>Component</th>
<th>Standard Acres/1000 pop.*</th>
<th>Acres Needed</th>
<th>Acres Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mini Parks</td>
<td>.25 - .5</td>
<td>2.5 - 5.0</td>
<td>0</td>
</tr>
<tr>
<td>Neighborhood Parks/Playgrounds</td>
<td>1.0 - 2.0</td>
<td>10.0 - 20.0</td>
<td>8</td>
</tr>
<tr>
<td>Community Parks</td>
<td>5.0 - 8.0</td>
<td>50.0 - 80.0</td>
<td>121</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>6.25</strong> - 10.5</td>
<td><strong>62.5</strong> - <strong>100.5</strong></td>
<td><strong>129</strong></td>
</tr>
</tbody>
</table>

* NRPA standards based on a core system of 6.25 to 10.5 acres per 1,000 population and a population of 10,000.

Table 28
Park Design Standards

<table>
<thead>
<tr>
<th>Park Type</th>
<th>Desirable Size (ac)</th>
<th>Population Served</th>
<th>Service Radius (mi)</th>
<th>Preferred Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mini-Park</td>
<td>&lt;1</td>
<td>500</td>
<td>1/4</td>
<td>Within neighborhood</td>
</tr>
<tr>
<td>Neighborhood Park/</td>
<td>6*</td>
<td>1,000 - 2,000</td>
<td>1/6</td>
<td>Within neighborhood/</td>
</tr>
<tr>
<td>Playground</td>
<td></td>
<td></td>
<td></td>
<td>proximity to schools</td>
</tr>
<tr>
<td>Community Park</td>
<td>20 - 35</td>
<td>City-wide</td>
<td>City-wide</td>
<td>Easy access</td>
</tr>
</tbody>
</table>

* In a developed community with established parks, 2 to 5 acres may be acceptable.
Figure 16
Legend

- Principal Arterial
- Arterial Street
- Collector Street
- Rail
- Full Interchange
Existing Conditions

Geologically, the Arrowhead Region is linked with the Archean Age, the earliest period in the earth's history. Today's landscape contains many clues to the drastic changes that have taken place beginning with prehistoric times. The area has undergone glacialiation four times, leaving the landscape much as it exists today. The ancient granite hills and the frequently evident lava flows along the north shore of Lake Superior testify to the dynamic environment that preceded man.

The great Mesabi Iron Range was formed by a vast, shallow, fresh water sea which covered much of northeastern Minnesota in prehistoric times. The sea precipitated iron and silica which left behind thick layers of iron bearing sediment buried beneath thousands of feet of overburden and subjected to intense heat and pressure which produced iron ore. The surface was then altered by glaciation so as to expose this vast resource to humankind.

The Mesabi Range extends from east of Grand Rapids to Babbitt, Minnesota. It is a vast ore deposit four miles wide and 100 miles long. Most of the ores on the Mesabi Range have been mined from open pits because deposits occur at or very near the rock surface beneath the glacial drift. The Range has historically been the world's largest single source of iron ore producing approximately 90% of all of the ore produced in the United States and approximately one-third of the iron ore produced throughout the world.

Approximately 600 lakes of all sizes exist within the Arrowhead Region of Minnesota. The lake basins were created by glaciation and they continue to be a major attraction for recreation.

Bogs, swamps, muskags and marshes occupy a substantial amount of land area in the Arrowhead Region. About 16% of the region's land is covered by wetlands many of which are very large in size. The City of Virginia has numerous areas where wetlands predominate and soil conditions are not particularly suitable for urban development. Figure 21 portrays the City's wetland inventory.

The City of Virginia is virtually an island surrounded by iron mines. It is situated nearly at the crest of the Laurentian Divide which is located three miles north of Virginia. The oldest known rocks in the world from the prehistoric Archezoic era have folded to form the Laurentian Mountains.

The City of Virginia has generally level to modestly rolling topography with the most significant relief occurring in the vicinity of Olcott Park. Open pit mining, of course, has created cavernous mine pits with 200-300 feet of relief.

Substantial vegetation was planted during the first decade of the century in the form of street trees. While there is substantial forest immediately adjacent to the City and in areas lying easterly of the mine pits, the City itself has little urban forest other than that found at Olcott Park. The City, however, is located adjacent
to the Superior National Forest which blankets a considerable part of the Arrowhead Region.

The City has an excellent supply of ground water which serves as its source for municipal drinking water. It is located at a depth of approximately 300 feet where it seeps into the abandoned open pit mines.

The City's most important features are its lakes, in particular Bailey's and Silver Lakes. While both have historically been used for recreational purposes, they currently experience water quality problems that preclude the use of the water surface for recreational activities. Considerable effort will need to be expended to correct problems associated with urban storm water runoff.

*Environmental Protection Plan*

A substantial part of the City's remaining vacant land is encumbered by wetland and poor soil conditions that preclude most forms of development. In the interest of balancing economic development with environmental protection, the City has received permission to utilize some of these wetland areas in the vicinity of Highway 53 for economic development purposes with the stipulation that wetland losses be mitigated.

Of major importance to the City's natural resource base will be the upgrading of the water quality of the City's lakes. It is the City's intent to take whatever steps are necessary to restore these valuable natural resources to allow their use for recreational purposes. Studies are currently in progress to identify the source and nature of their contamination through a grant from the IRRRB. Once the contamination source is found the City intends to take steps to correct the problem.

Other very important parts of the City's environment are its historical resources as embodied in its large supply of early 20th century structures. Since these are such an important part of the City's essential character, it is the City's intent to identify, protect and make adaptive re-use of the City's most important resources.

St. Louis County is currently in the process of evaluating the provision of a state-of-the-art regional landfill east of the old City of Franklin in the City of Virginia. Of 15 county landfills, 13 have been closed and only the East Mesaba and Hibbing landfills remain in service. Neither of these facilities has a liner or a leachate collection system as required by the Minnesota Pollution Control Agency (MPCA) by the end of 1993. To meet this requirement and satisfy future space needs, the County proposes to develop a new state-of-the-art landfill for mixed municipal solid waste in the general vicinity of the East Mesaba landfill to serve the east side of the County. It is the intent of the City of Virginia to participate in the process to ensure maximum environmental protection while satisfying needs for future landfill space in St. Louis County. It is also the intent of the City to minimize the amount of material that must be buried in landfills by encouraging resource recovery and recycling alternatives.
Figure 20

Legend—Palustrine Wetland Types

<table>
<thead>
<tr>
<th>RB—Rock Bottom</th>
<th>AB—Aquatic Bed</th>
<th>PD—Perennial Floodplain</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Bedrock</td>
<td>1 Submerged Algal</td>
<td>1 Broad-leaved Deciduous</td>
</tr>
<tr>
<td>2 Boulder</td>
<td>2 Submerged Vascular</td>
<td>2 Needle-leaved Deciduous</td>
</tr>
<tr>
<td>US—Unconsolidated Bottom</td>
<td>3 Submerged Moss</td>
<td>3 Broad-leaved Evergreen</td>
</tr>
<tr>
<td>1 Cobble/Gravel</td>
<td>4 Floating—leaved</td>
<td>4 Needle-leaved Evergreen</td>
</tr>
<tr>
<td>2 Sand</td>
<td>5 Floating</td>
<td>5 Dead</td>
</tr>
<tr>
<td>3 Mud</td>
<td>6 Unknown Submerged</td>
<td>6 Deciduous</td>
</tr>
<tr>
<td>4 Organic</td>
<td>7 Unknown Surface</td>
<td>7 Evergreen</td>
</tr>
</tbody>
</table>

WETLANDS

COMPREHENSIVE PLAN
City of Virginia, Minnesota
Figure 21
Legend
- Topography
- Mines and/or Mine Dumps
**Environmental Protection Objectives**

1. To conserve and improve unique and essential natural resources, especially the City's lakes.

2. To protect people and property from natural hazard.

3. To establish a balance between the protection of natural resources and urban use of those resources.

4. To reduce, recover and recycle waste materials.

5. To preserve the City's heritage.

6. To promote the area's unique natural resource and historic attributes.

**Environmental Protection Policies**

The City's environmental protection policies are to:

1. Except where already developed, to protect the shoreline areas of lakes and streams as public resources.

2. Maintain natural shorelines along wetland and water body edges, except in areas of intensive public use, where mitigative measures will be employed to minimize the adverse impacts of storm water runoff on surface water bodies.


4. Limit the alteration of wetland areas unless absolutely necessitated for the purpose of economic development.

5. Cooperate with the U.S. Fish and Wildlife Service, the U.S. Army Corps of Engineers and the Minnesota Department of Natural Resources in the protection and regulation of wetlands.

6. Draft and comply with MDNR standards for the management of shoreland areas.

7. Formulate a surface water management plan that provides for the protection and enhancement of the City's lakes and streams.

8. Employ NURP ponds as a means to pre-treat surface water runoff that will ultimately drain to the City's lakes.
9. Maximize on-land management of storm water to minimize the negative impacts of runoff on surface water's quality.

10. Limit storm runoff from developed sites to pre-development rates of release.

11. Require storm water management and erosion control plans for all urban developments.

12. Minimize the removal of and require the partial replacement of significant trees.

13. Formulate a plan for and implement action steps to increase the City's urban forest.

14. Protect street-end views to the City's lakes and discourage all developments that would impair such views.

15. Support a county-wide integrated waste management program that consists of waste reduction, resource recovery, recycling and limited landfilling.

16. Continue to support curbside recycling of reusable waste materials.

17. Identify the City's most important historical resources and develop plans for their adaptive reuse.

18. Continue to support and seek funding for the rehabilitation of architecturally significant historic buildings that have reuse potential.
The Iron Range economy was built around its natural resource base. Both lumbering and iron ore mining blossomed in the later years of the 19th century giving rise to a flourishing economy and significant population growth.

In 1864, state geologist August H. Hanchett reported evidence of a deposit of magnetic iron in areas north of Duluth. Essentially, the Mesabi lay dormant until 1890 when the first soft iron ore was discovered only a dozen feet below the surface in what is currently Mountain Iron.

While the lumber industry disappeared in 1929, the mining industry flourished with more than 338,000,000 tons of Minnesota iron ore being shipped during World War II. By 1980, the boom had subsided due to foreign competition and the substitution of other materials for iron in manufacturing processes.

Taconite research gave rise to a thriving taconite industry. Production peaked in 1980 with approximately 55,000,000 tons shipped. Since that time, taconite production has leveled off and a number of new technologies and refining methods have been considered to better compete in a global economy. Substantial iron ore still remains on the Mesabi but it is becoming more and more costly to mine attributable to the increasing depth of the overburden.

The City of Virginia is located within the Arrowhead Region of the State of Minnesota and is served by the Arrowhead Regional Development Commission which does overall economic development planning and programming for Koochiching, Itasca, Aitkin, Carlton, St. Louis, Lake and Cook Counties in northeastern Minnesota. The total land area of the Arrowhead Region is 19,500 square miles which constitutes nearly one-quarter of the state's total land area. According to the 1990 census, the population of the Arrowhead Region was approximately 311,000 which represented a 9.3% decrease from the 1980 census for the region.

The ARDC originated as an Arrowhead Economic Development District in June of 1967. In 1969, the legislature passed the Regional Development Act which allowed for the creation of regional commissions. The Arrowhead Economic Development District became the Arrowhead Regional Development Commission (ARDC) in 1970. The role of the ARDC, according to the Regional Development Act, is to review and comment on all project proposals regarding the potential impact they may have on the region. It also reviews the comprehensive plans of local units of government upon request. Responsibilities include a continuous program of research and study in the preparation of a comprehensive regional development plan.

The Commission's Regional Economic Reassessment Project has developed a number of strategic recommendations for the diversification of the Arrowhead Region's economy. The study recommended a balanced approach to recruitment and retention of business. Action steps recommended for implementation of the strategy include:
1. A targeted marketing program for the recruitment of new businesses.

2. The design of outreach programs to provide financial and non-financial assistance to existing businesses.

3. The initiation of programs to recognize entrepreneurs.

4. Encouragement of cooperative marketing and trade show participation by existing Arrowhead businesses.

5. The development of a government relations ombudsman program to help companies deal with regulatory authorities.

6. The initiation of appropriate lobbying efforts to address state-imposed business costs.

7. Initiation of an outreach program to encourage residents, workers and entrepreneurs to return to the Arrowhead Region.

According to the 1991 Overall Economic Development Program, Virginia's economic development projects were to have included $4 million in loans and grants for the Mesabi Family YMCA, the designation of a downtown historic district, the receipt of an IRRRB storefront grant for expansion and improvement of the downtown business district, the opening of four new retail businesses in downtown, the expansion of a wood resin manufacturer, the expansion of two environmental service businesses, the development of proposals for two large retail developments, the opening of several new retail establishments at the Thunderbird Mall and additional office sector development including the establishment of a regional state lottery office and business innovation center.

In 1996 VADA became the Virginia Economic Development Authority (VEDA). This transfer was done in order to take full advantage of the powers of an EDA for the city to progressively pursue its commitment to economic development for Virginia.

Under VEDA, the implementations of VADA are being realized including but not limited to: 1) The expansion of the residential base through land acquisition and the implementation of two new housing development projects funded by the city and the Iron Range Resource and Rehabilitation Board (I.R.R.R.B.). 2) The creation and expansion of a diversified industrial base through Progress Park, a new high-tech industrial park complex conceived and funded through area cooperation between the cities of Virginia and Eveleth and the I.R.R.R.B. and Minnesota Power. Currently one building has been built in Progress Park with secured tenancy. 3) The expansion and enhancement of the commercial retail base through marketing Virginia's prime commercial/retail opportunities. 4) The continuation of the support and promotion of the downtown district, including the administration of the downtown storefront renovation and building code grants.
As with VADA, VEDA is fully funded and budgeted by the city but remains as an independent entity to better focus on its economic development objectives and most efficiently implement them.

**Economic Development Plan Objectives**

1. To cooperate with the Arrowhead Regional Development Commission, the IRRRB and other economic development organizations to improve the overall economy of the region.

2. To provide opportunities for the attraction of new businesses to the City of Virginia.

3. To support existing businesses as necessary and appropriate to retain major employers within the City of Virginia and on the Range.

4. To continue mining operations for as long as possible as the centerpiece of the regional economy.

5. To create an environment that is conducive to the attraction of new business and the expansion of existing businesses within the City.

**Economic Development Plan Policies**

The economic development policies applicable to the City of Virginia are to:

1. Support the continuation, for as long as possible, of taconite mining/processing in areas of the City and region where ore is still readily available.

2. Work with area mining companies to support favorable legislative treatment for the continuation of mining activities on the Mesabi Range.

3. Support new technologies and methods of mining and production that will increase the Range's ability to compete in the global economy.

4. Develop a new business park and exercise significant efforts to redevelop areas that are intrinsically most suitable for industrial and business park development.

5. Provide financial support through the use of tax increment financing, grants and loans to retain existing businesses.

6. Explore tax increment financing and redevelopment as a tool to create opportunities for new commercial and industrial development in the City of Virginia, especially in downtown.
Shaping the Future

This Comprehensive Plan marks the beginning of a critical period in the life of the City of Virginia. The City was built upon a foundation of mining and lumbering. All signs suggest that the prominence of mining in Minnesota will continue to diminish due to natural resource source competition and changing technology. The impacts of the decline of the mining industry can be seen throughout the community. The population declines as people, especially young people, leave the Virginia area. The base of the population becomes older. The income and financial resources of the community shrink. Development activity slows. Failure to change will perpetuate these trends in Virginia.

The City has two choices for facing its future. It can simply allow the future to happen, reacting to events as they occur. Or, it can take steps that shape the future of Virginia. The table below describes three possible futures for Virginia.

Possible Future 1 - Continue Present Trends

Actions
- Continue to depend on state and mining for sustenance
- Continue to compete with neighbors
- Continue to provide services as they have always been provided
- Emphasize economic development at the expense of neighborhoods
- Continue to create land use conflicts
- Leave everything to chance

Results
- Loss of population and employment
- Erosion of neighborhoods
- Growth in retail as primary use
- Dependency
- Uncertainty

Possible Future 2 - Managed Survival [city view]

Actions
- Restructure services
- Organize land use
- Protect and use natural resource base
- Pursue redevelopment
- Improve neighborhoods/housing
- Restructure/diversify economy
- Improve public relations/communications
- Build on intrinsic strengths
Results

- Stabilized population and employment
- Quality living environments
- Minimal land use conflicts
- Synergy in community development
- Public consensus
- Good place to do business
- Less costly public services

Possible Future 3 - Renaissance (regional view)

Actions

- Same as Future 2 plus
- Cooperate with neighbors
- Share services
- Consolidate governments
- Operate as a single economic development entity

Results

- Same as Future 2 plus
- Growth in population and employment
- Service efficiency
- Land to grow
- Progressive independence
- More clout in St. Paul

It is important to note that no change in action constitutes the deliberate continuation of present trends. Such continuation need not be the future of Virginia. This Comprehensive Plan presents a series of detailed strategies that will need to be implemented to chart a new course for the community. It is important to note that the Comprehensive Plan is not self-implementing. The leadership of the community must be resolute in its commitment. The public must support action steps which have the potential to effect real change.

Setting Priorities

On Monday, April 25, 1994, the City of Virginia conducted Town Meeting 4 in the Comprehensive Planning process to identify the priority action steps that the City should be pursuing over the next two to three year period. A total of approximately 180 residents, business persons, decision makers and other interests attended. Those in attendance participated in three exercises including 1) the selection of objectives to achieve the City's vision, 2) the selection of action steps and 3) the ranking of action steps.
These exercises clarified priorities for action by the City:

- Economic development was the overriding priority identified by participants at the Town Meeting.

- Three of the next four highest priorities strongly support economic development.

- There was also a clear mandate for the City to open doors for negotiations with its neighbors regarding shared services and improved intergovernmental cooperation leading, perhaps, to more permanent solutions.

Table 29 on the next page represents the summary of priorities as determined by the Town Meeting participants.

It was also evident that there is an interest on the part of some residents and business persons to participate in deciding the City of Virginia's economic future. While the details of plan implementation may best be handled by VADA or some other economic development entity, a brainstorming process should be designed to generate unique and effective economic development ideas and alternatives utilizing local talent and resources. A strong grass roots effort as an element of an economic development strategy will be necessary to garner public support for economic development activities in Virginia.
Table 29  
City of Virginia - Town Meeting 4  
Priorities Matrix  
4/25/94

<table>
<thead>
<tr>
<th>ACTION STEPS</th>
<th>TABLES' PRIORITIES</th>
<th>Score</th>
<th>Avg</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21</td>
<td></td>
<td></td>
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<tr>
<td>Intergovernmental cooperation</td>
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<tr>
<td>Economic development</td>
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<td></td>
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<tr>
<td>Redevelopment</td>
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<td></td>
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<tr>
<td>Sewers</td>
<td></td>
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<td></td>
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<tr>
<td>Street improvements</td>
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<tr>
<td>Steam/lectric utility</td>
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<tr>
<td>Police</td>
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<td></td>
<td></td>
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<tr>
<td>Fire/ambulance</td>
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<td></td>
<td></td>
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<tr>
<td>Lakes rehabilitation</td>
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<td></td>
<td></td>
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<tr>
<td>Business park development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighborhood improvements</td>
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<tr>
<td>Solid waste/recycling</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Public relations/communication</td>
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</tbody>
</table>

1 = Highest priority  
10 = Lowest priority
This implementation plan presents a large number of strategies which together have the potential to positively influence City growth and change. Since resources are limited, it is unrealistic to expect that the City can undertake all of them simultaneously. It will, therefore, be important to focus on those that have the greatest potential to effect change.

If the City is to actively pursue a course of action other than the continuation of present trends, it must become a magnet for residents, businesses, shoppers, tourists and investment. In order to become a magnet, it must give priority to three things: 1) improving or diversifying its economy, 2) reducing public service costs/improving intergovernmental cooperation and 3) improving livability. While this plan deals with the full range of implementation recommendations, foremost consideration must be given to action steps which make Virginia is a good place to live, work and play. To achieve these objectives, this Plan offers strategies in the following areas:

- Economic Development/Growth
- Investment in the Community
- Intergovernmental Cooperation/Service Delivery
- Livability Enhancement
- Public Participation and Relations
- Code Improvement

**Economic Development/Growth Strategies**

Economic development is a foundation of achieving the vision for the future. Industrial and commercial development creates jobs, brings people into the community and forms property tax base. All of these results are important elements of shaping the future of Virginia. The effects of economic development influence all other aspects of the community.

**Strategy 1 - Organize To Achieve Success**

Two key principles of implementation are responsibility and accountability. Some "one" must be responsible for undertaking these strategies. The City of Virginia has a variety of options for organizing for economic development. The responsible organization must be given the authority and resources to make progress. The trade-off is accountability to the City for achieving success.

**Establish Development "Agency"**

Virginia should activate its Economic Development Authority (EDA) as a means to follow through on the Resolution it adopted in 1991 to create such an entity. Through an EDA, the City gains a variety of powers to participate in the development process. At some point in time, Virginia may wish to consider special legislation to create a port authority. In addition to the powers of an EDA, a port authority may
issue general obligation bonds without a referendum for economic development projects. There is no reason to pursue this approach unless the City wishes to use this finance tool.

This is one of the development agency options available to Virginia. A number of different political subdivisions can exercise the significant development powers available to Minnesota cities. These include cities themselves, housing and redevelopment authorities, economic development authorities, port authorities, and entities created by special legislation for specific communities. The three primary municipal development authority options are explained in the following section.

**Economic Development Authorities.** Economic Development Authorities are governed by Minn. Stat., Section 469.090 to 469.108 (the “EDA Act”). The power to create an economic development authority (EDA) is available solely to cities. The specific powers of an EDA are listed in Section 469.101 and include:

- Create economic development districts.
- Acquire property to create economic development districts.
- Sign options to purchase, sell or lease property.
- Exercise right of eminent domain.
- Make contracts for economic development purposes within authorized powers.
- Become a limited partner.
- Acquire rights or an easement.
- Buy supplies and materials.
- Accept land, money or other assistance.
- Sell or lease land in economic development districts.
- Apply to become a foreign trade zone.
- Exercise powers of a redevelopment agency as defined by State Law.
- Operate and maintain public facilities to promote economic development in an economic development district.
- Study and analyze economic development needs of the city.
- Conduct public relations activities.
- Accept public land.
- Develop and improve the lands in an economic development district to make it suitable and available for development.

The City Council may limit these powers in the resolution creating the EDA.

A city may levy property taxes, at the request of the authority. The amount of the tax may not exceed 0.01813 percent of the taxable market value of the city. The amount of the EDA levy may be increased by the city council. The action to increase the levy amount is subject to a reverse referendum.
The City should consider multi-jurisdictional economic development joint powers agreements with its municipal neighbors. Such an agreement is already in process with Eveleth. The IRRRB should be asked to serve as an Ex Officio member of the joint powers commission.

**Housing and Redevelopment Authorities:** Virginia has a housing and redevelopment authority (HRA). Housing and redevelopment authorities have two primary functions: clear and redevelop blighted areas and remedy a shortage of housing for low and moderate income persons. The powers of a housing and redevelopment authority are described in Minn. Stat., Section 469.001 to 469.047. These powers may be useful when "blighted" property poses as a barrier to economic development. The powers of an HRA to meet local housing needs should be evaluated if housing deficiencies prove to be a barrier to development. HRA powers can be given to an EDA.

**Port Authorities:** Port authorities are governed by Minn. Stat., Sections 469.048 to 469.068. The only significant difference between an EDA and a port authority is the ability to issue general obligation bonds without a referendum. A port authority may issue general obligation bonds in the amount authorized by its city council. Cities must obtain special legislative approval to utilize the powers of a port authority.

**Evaluate Role of HRA**

The City should evaluate the role of the Housing and Redevelopment Authority and the potential benefits of merging with a new EDA. This strategy is not a reflection on the current HRA. It is based on the relationship between housing and economic development. The ability to provide an appropriate range of housing opportunities influences the availability of an adequate work force. The location of housing influences the viability of commercial areas, particularly the downtown. The creation and maintenance of neighborhoods plays a role in community livability. These factors suggest that a more direct link between housing and economic development activities of the City may be necessary in Virginia.

**Determine Appropriate Forms of Financial Assistance**

Selecting the appropriate organizational structure is only part of the process. Obtaining funds to effectively exercise those powers presents the greater challenge. There are many ways that a community can be involved in the development process. Frequently, developers look to city government for financial assistance. With limited financial resources, it is important to understand opportunities and implications for participating in development projects. Virginia should consider the issues related to participating in the development process and establish related guidelines.
Strategy 2 - Create an Economic Development "Plan"

This recommendation does not mean that the City needs to create a plan document related to economic development. The intent of this strategy is to encourage a specific focus for economic development. Rather than rely on a trial-and-error approach, Virginia must concentrate its efforts on the actions that will yield the most success. The recommended tactics (in order of priority) are:

Create positive business climate

Previous implementation strategies discussed ways to make Virginia more livable. These same concepts apply to economic development. A result of the implementation of the comprehensive plan should be the creation of a positive business climate. Making Virginia a good place to operate a business is a valuable tool for encouraging new development.

Retain and encourage growth of existing businesses

Virginia must work closely with local business to address shared issues and to promote stability and expansion of local operations. Several factors illustrate the importance of this strategy:

- Many cities are finding that job and tax base creation comes from existing businesses.
- Local industries are important to the future of Virginia.
- Other cities and states actively encourage local industries to relocate.
- Existing businesses have a stake in the community.
- This approach requires the least financial investment.

Find opportunities

The base of local businesses offers development potential beyond existing businesses. An understanding of the needs of local businesses may suggest spin-off opportunities. New development can come from development that is complementary or otherwise related to existing business.

Another way to build upon the local base is to promote and assist start-up businesses. The majority of new jobs come from small businesses. Growing your own industry [concept-start up-expansion] is a viable development strategy. The community can provide technical assistance, capital and facilities which can help incubate new business.

Tourism and Technology are important economic development opportunities for Virginia. Tourism forms a significant part of the northern Minnesota economy. Virginia is in an excellent position to benefit from the economic benefits of tourism. Virginia lies on a major transportation route. Its location is well positioned between the metropolitan area and tourist destinations.
Changes in technology have, and will continue to influence how and where people work. Increasingly, business access will come not from roads, but from communications systems. "Telecommuting" allows people to live in Virginia and conduct business across the world. Capitalizing on this trend requires the technological infrastructure and a community that attracts people as a place to live. Biotech industries are also worthy of consideration because they may represent a good fit for more rural communities.

**Promote Virginia and encourage businesses to (re)locate in Virginia**

Business relocation is the most competitive and generally the most expensive form of development strategy. Virginia must be prepared to reasonably compete for businesses looking to locate in the community. This preparation takes several basic forms:

- Creating a good place to conduct business and to live by undertaking the implementation strategies described in this Plan.
- Understanding the types of businesses that are likely to be attracted to the Virginia Area.
- Developing the resources (marketing materials, community leaders, knowledge of business development resources) needed to respond to business inquiries and opportunities.
- Working with and building strong relationships with existing economic development partners with particular emphasis on the IRRRB.

**Strategy 3 - Form "partnerships"**

Virginia City Government plays a vital role in the success of economic development strategies. The City, however, cannot be solely responsible for implementing this plan. Many elements of a strong local economy are outside the scope of a comprehensive plan and beyond the control of the City. Shaping the future of the community requires the City to seek out and form partnerships with other groups with interests in the future of the Virginia Area.

**Establish strong relationships with local businesses**

The private sector must play an active role in meeting the development objectives of the community. A key to a strong local economy is understanding existing businesses and the issues they face. Even if this strategy does not produce any other results, it will encourage the feeling that these businesses are important parts of the community. Some tangibles results of this strategy include:

- Greater understanding of the opportunities for and barriers to expansion in Virginia.
- Opportunities for the development of complementary or supporting businesses.
• Identification of issues of concern for both business and the community.

Removal of jurisdictional barriers

Later sections of the Implementation Strategies discuss the need for intergovernmental cooperation in the provision of public services. The same rationale also pertains to economic development. Cities in the Virginia Area can spend time and resources competing with one another for business. The winner of the competition receives the tax base from new development. However, other benefits cross municipal boundaries. The County and School District benefit regardless of the location. New development creates demand for housing and support for local businesses throughout the Area.

Virginia is urged to look at the broader community in forming economic development strategies. With limited resources, a cooperative approach offers the best chance of promoting development. The benefits of a stronger local economy will be felt in Virginia and throughout the Area.

Form partnerships between Virginia, Eveleth, Mountain Iron, USX, and Eveleth Mining Co.

This strategy builds upon the two previous ones. The fates of Virginia, Eveleth, Mountain Iron, USX, and Eveleth Mining Co. are inextricably linked. Mining is the largest employer and tax payer in the area. The success of mining has a direct and significant impact on all three cities. These cities, working closely with USX and Eveleth Mining, can best understand and address the issues facing these firms. In turn, these entities bring together substantial resources for addressing other development issues and promoting the health of the local economy.

Investment Strategies

This Plan makes many recommendations on important steps to shape the future of Virginia. Taking some of these steps requires the commitment of financial resources by the City. Faced with limited financial resources, it is critical that the City invest in those projects and actions that will have the greatest impact.

In considering the financial implications of the Comprehensive Plan, the City should ask and answer the following questions. Are these steps important to shaping the future of the community? Will private investment occur if the City is not willing to invest in the future? Assuming that implementing the Comprehensive Plan is in the best interests of the community, then monies should be allocated to achieve the policy recommendations.

Strategy 1 - Create a "community reinvestment fund"

The creation of a community reinvestment fund follows the establishment of priorities. The purpose of the fund would be broad to implement the policies of
the Comprehensive Plan. The fund could also be designed to target specific needs, such as infrastructure or business development.

An important part of creating a community reinvestment fund is to allocate money to the fund. A review of financial reports indicates that the City of Virginia has a variety of financial resources at its disposal. One of the ways of allocating money to a Community Reinvestment Fund is to designate a portion of its annual Taconite Aid revenues to the Fund. An objective of this Plan is to help the community face a future with a reduced role of mining. It is appropriate that a portion of the revenues that the City receives from mining be used for implementing the Plan. This is only one of the potential financing options.

**Strategy 2 - Create land acquisition program**

Community investment and economic development strategies often overlap. The relationship between these strategies becomes clear when considering land acquisition. A key to promoting economic development is the availability of developable land. Acquiring land for development allows for control over the size and design of commercial and industrial sites. Some sites in Virginia require the removal of existing barriers prior to redevelopment. In all cases, a land acquisition program requires funding.

Investing in the community through land acquisition, Virginia should pursue the following strategies:

**Continue selective rehabilitation program**

The City currently uses tax increment financing to acquire and rehabilitate properties south of the downtown area. This program should continue to the extent possible with available revenues.

**Target key sites**

The map in Figure 1 shows potential development and redevelopment sites in Virginia. The City does not have financial resources to acquire all of these sites. In creating a land acquisition program, the City should use these criteria:

- Which sites offer the greatest development potential?
- Where will public investment likely lead to future private investment?
- Which sites need the removal of barriers and/or the assembly of sites prior to development?

**Pursue a long-term local and regional strategy**

The City should develop plans in conjunction with its neighbors. Different locations require different strategies. In some locations, the City may be able to acquire all
the land it needs at one time. In other locations, the assembly of parcels may be more difficult. A successful land acquisition program relies on a clear plan, a long-term vision and cooperation. Rather than force acquisition, parcels can be purchased over time as available in the market.

**Strategy 3 - Evaluate the funding of services**

Allocating money to the Community Reinvestment Fund may require offsetting decisions related to other municipal services. The efforts to find new approaches to service delivery may lead to cost savings. These savings could be used to finance the Fund. The City should also examine the non-tax sources of general revenues. The City may be able to generate additional revenues through charges and fees. One such opportunity may lie with the ambulance service.

In looking for additional revenues, the City is encouraged to explore alternatives to the property tax. With a significant portion of General Fund revenues coming from the State, the City is vulnerable to state-level financial problems and changes in fiscal policies. These factors may lead to future property tax demands. Raising local taxes reduces the money available for private parties to invest in the community. Both public and private dollars will be needed to make the vision for the future a reality.
POTENTIAL DEVELOPMENT AND/OR REDEVELOPMENT AREAS

COMPREHENSIVE PLAN
City of Virginia, Minnesota

Hoisington Koegler Group Inc.
Strategy 4 - Evaluate Municipal Debt Policies

Investing in the future of Virginia will be difficult to do on a "pay-as-you-go" basis. Some development and improvement projects will require that the City issue bonds. As of September 1993, the City's general obligation indebtedness totaled $22,210,000. Over two-thirds of this debt is supported by revenues from various municipal operations: utilities, hospital and golf course. Almost 23% of the debt is supported primarily by revenues from tax increment financing districts.

Perhaps the most interesting aspect of the City's current debt structure is the lack of debt related to local improvements. The City has not issued public improvement bonds since 1983. After April 1, 1994, the City will have no outstanding debt supported by special assessments.

Strategy 5 - Prepare capital improvements program

The City should develop a comprehensive capital improvements (CIP) program which establishes priorities on the basis of which improvements will have the greatest impact on achieving the City's future vision. While the City already has a five year capital outlay plan, it is based primarily on services being delivered consistent with past history. The CIP might appropriately be the subject of an annual public town meeting.

Intergovernmental Cooperation/Service Delivery Strategies

A substantial percentage of the City's revenue to fund local public services comes from the State of Minnesota. The City has limited land within which to grow. It has a shrinking population base against which to spread the cost of public services. These factors warrant serious consideration of new models of service delivery over an extended period of time. While a major transformation in the way services are delivered will not occur overnight, a plan which defines a desired outcome and the phasing of action steps will be essential.

Future service deliveries cannot be considered in the context of individual cities. The old self-supporting model of everyone providing their own services will become increasingly obsolete in an environment of limited resources and substantial subsidies. Given that there are substantial vested interests in maintaining the present level and character of services, a plan will be necessary to trigger changes as windows of opportunity present themselves. The whole range of public services should be evaluated on a region-wide basis with particular emphasis on the quad cities. The following action steps should be considered:

- Convene an initial meeting of Quad Cities policy level officials to discuss the need for and interest in considering cooperative arrangements.

- Develop a plan for ongoing negotiations at the policy level to discuss the potential for and funding of a phased long range plan for service sharing (a plan for a plan).
• Conduct public forums and information meetings on a multi-City basis to solicit public input regarding the need for service sharing.

• Formulate a vision for the Quad City region which may be achieved through cooperative efforts.

• Create both policy level and technical advisory committees to carry out the process.

• Establish action steps to study the potential for intergovernmental cooperation and service sharing.

• Conduct a multi-jurisdictional study of public services utilizing Minnesota Government Innovation funding to determine the potential for cooperative service deliveries ranging from simply improved communications to the complete consolidation of all municipal functions and services. The jurisdictions to be included in the process are the Quad Cities, St. Louis County and the Arrowhead Region.

• If the study appears to produce some viable options, prepare a plan for implementation.

• Create the structure and develop a multi-jurisdictional joint powers agreement to coordinate and carry out the services study recommendations.

• Establish a means by which department heads are required to work with their peers in other local jurisdictions to provide plan input and carry out implementation tasks.

While intergovernmental cooperation is of paramount importance and will likely become an imperative in years to come, addressing indigenous servicing problems will also become an increasing necessity. The City can only afford some of its public services because the State of Minnesota pays for them. What if such subsidies were curtailed with very short notice? Would the City run a deficit and fund it for as long as possible with its accumulated budget reserve? If not, what services would it cut first? A plan needs to be put in place now to prepare for this distinct possibility. The City’s long term viability may depend on it.

The City has completed two very recent studies that suggest substantial changes in how police, fire, ambulance and public utility services are delivered in the future. What is needed now is a phased plan of implementation which accomplishes the recommendations of these studies in a manner which is respectful of public employees’ needs but recognizes the importance of the larger community interest. Such a plan would provide a transitional or phased solution in advance of an abrupt public mandate. Rather than mandate conformance and thereby
alienate many excellent City employees, the City Council should work closely with affected departments to formulate plans that all parties can buy into.

The implementation of these strategies will place additional responsibilities on City Staff. The current structure will make it virtually impossible to accomplish these important tasks. To address this situation, the City Council may wish to create an organizational structure which is specifically designed to deal with the City's most critical issues. The short-term impact of any change would be additional personnel expense. In the long-term, the City faces greater potential savings in long term operational and capital costs attributable to improving service/efficiencies.

It is important to note that intergovernmental and inter-departmental cooperation is a two-way street that warrants a continuing dialogue between the affected parties. How a problem is solved is usually just as important as its actual solution. This requires the establishment and nurturing of trust relationships that open eyes to the recognition of community rather than self interest. This principle applies to local as well as regional service delivery discussions.

Livability Enhancement Strategy

Virginia must be a place where people, residents, tourists, shoppers and businesses want to go. In implementing the Comprehensive Plan, the City and the larger community must focus on those actions that will attract and retain people. Some actions that will enhance livability include:

- Neighborhood park improvements to create recreational opportunity while improving neighborhood aesthetics. This will also require the provision of facilities which primarily serve and are compatible in scale and activity with the host neighborhood.
- Neighborhood street and sidewalk reconstruction.
- Neighborhood street tree replacement as an ongoing activity.
- The rehabilitation of signature neighborhood residences and the continuing demolition of houses which have little architectural value and limited or no potential for resale. Wherever feasible, such lots should be resold for residential purposes or combined with adjoining properties to assure proper maintenance.
- Enforce housing maintenance code requirements.
- Enforce nuisance code requirements as a means to clean up neighborhood messes.
• Establish design standards for the community's entrances, commercial centers and neighborhoods which maintain the City's traditional character and improve its image from Highway 53. To transform the City's image from the highway will improve civic pride while providing the transient public with a reason to stop rather than pass by the City of Virginia.

• Formulate design guidelines for the continuing redevelopment and rehabilitation of downtown and upgrade the downtown streetscape.

• Identify the City's most important historical resources and develop a strategy for preservation and reuse.

• Develop plans for the City's lakeshore which are in keeping with Virginia's historical character.

• Study and improve the lake's water quality as a means to expand the use of the lakes for recreational purposes.

• Maintain the natural geophysical foundation as an integral part of the community.

• Build on the regional public school system (Virginia Area School District and the Community College) and the hospital as economic development assets.

Public Participation and Relations Strategy

The Comprehensive Planning process has clearly demonstrated the benefits of constructively involving the public in planning and decision making. Undertaking the strategies for implementing the Comprehensive Plan requires continued public involvement and support. Public participation strategies for the city include:

• Ongoing public town meetings to discuss ongoing critical issues and reevaluate the community's vision. Of particular importance will be an annual budget forum to be conducted each year in May. The purpose of this session will be to take input before the budget is formulated. On average, two public forums should be conducted per year.

• An ombudsperson should be considered whose expertise it is to work directly with the public as a public information officer and trouble shooter. This is a hands-on person who has the ability to work closely and intimately with the public to negotiate solutions which are helpful to the public and in keeping with public policy.

• Community celebrations to build a sense of oneness and unity.
Informal neighborhood meetings with policy makers present, the purpose of which is to listen to and discuss neighborhood concerns and issues that could influence public policy decisions. Such meetings need not be related to specific development proposals but instead to simply listen to neighborhood concerns and aspirations. Simply getting to know people is of tremendous value to all concerned in building trusting relationships. Trust requires meaningful interpersonal communications, not isolation.

Another aspect of public relations is communications. The City has been criticized for failing to communicate with the public adequately regarding major public decisions. While the City Council was responsible for authorizing the conduct of several town meetings as part of the Comprehensive Planning Process, and has started a weekly show on local cable access, the public feels that communications are lacking between City staff, decision makers and the public. So long as that perception exists, it will be difficult for the public to support key public actions. Since public support will be an essential part of the plan implementation process, a number of action steps will be required to facilitate public communications and take input on key public decisions. A strong program of public communications, should include both one-way and interactive methods as follows:

- A biannual community telephone survey to sample public attitudes and opinions. A telephone survey has a significantly higher response rate and better reflects public opinion than mailed surveys.
- Preparation of a quarterly newsletter.
- A mayor’s forum to allow individuals to address specific concerns related to the whole body of public issues that face the City and its individual members.

**Code Improvement Strategy**

Once the Comprehensive Plan is adopted, there will be substantial disparities between the Comprehensive Plan, a policy document, and the City’s current zoning ordinance which is law. Bringing the zoning ordinance and map into compliance with the Comprehensive Plan will be essential if the plan is to be of value to the City. New zoning districts will be required. Others will need substantial modification. New density standards will be needed for conservation neighborhoods and design standards should be incorporated for all commercial and industrial developments.