

THE MCKNIGHT FOUNDATION

FOOD FOR THOUGHT



Northeast Minnesota: New Possibilities in the North Country

By Jay Walljasper

Commissioned by The McKnight Foundation

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Foreword

Jay Walljasper’s “Northeast Minnesota: New Possibilities in the North Country” was commissioned by The McKnight Foundation as part of our Food for Thought series — a collection of independent reports to inform our understanding of the sectors in which we operate and our related program strategies. This is the second of four case studies examining the opportunities and challenges in Greater Minnesota. In the first report, Walljasper examined some of the big ideas coming out of the southeast, including the development of the Destination Medical Center in Rochester, the vibrant arts scene in Lanesboro, and many other examples of economic diversification.

In this report, he heads to the beautifully diverse landscape of northeast Minnesota. He finds that some conditions have hardly changed from 30 years ago, including the heated debates over the effects of mining as communities consider ways to preserve both livelihoods and the environment. Such dire economic pressures are precisely what led to the inception of the Minnesota Initiative Foundations, six independent regional philanthropic organizations that have disbursed more than \$285 million a year since their founding in 1986. Under the direction of Virginia McKnight Binger, then board chair of McKnight, and Russ Ewald, then president, McKnight created these unique entities because it believed that the people in the best position to lead in Greater Minnesota were those who lived and worked in the communities themselves. Thirty years later, we still hold on to that principle and remain committed to a prosperous and resilient Greater Minnesota.

This report explores communities north of the metro area and east of Brainerd and Bemidji. Walljasper reports that the region’s economy now goes far beyond mining to include tourism, education, health care, aviation, and advanced manufacturing. Mining makes up only 12 percent of the economy in the six-county region that encompasses the Iron Range. Duluth, with unemployment at 2.9 percent, is winning national accolades. Outside magazine recently named it “America’s Best Town” and lauded its access to adventurous outdoor recreation such as trout fishing and downhill skiing. Aitkin County has been recognized for offering innovative senior services, and cities like Proctor and Pine City are reviving their downtowns with high levels of community engagement.

As in all regions of the state, the challenges faced by the people in northeast Minnesota are not easy to overcome. For answers, local leaders are increasingly taking a deeper look at their community’s entire range of assets and resources. We hope this report will spark more interest in this bountiful region and offer a fresh lens through which we can see all its potential.

**Neal Cuthbert, Vice President of Program
The McKnight Foundation**

Northeast Minnesota

New Possibilities in the North Country

Northeast Minnesota seems caught in a 1980s flashback as taconite plants are idled and debates rage about “jobs vs. the environment.” And there’s no rosy glow of nostalgia about it. The region still bears scars from the free fall of the mining industry 30 years ago as well as the bitter battles over establishing the Boundary Waters Canoe Area Wilderness.

Today it’s copper, nickel, and possibly gold mining that’s stirring emotions, not the closing of a few of Minnesota’s 10,000 lakes to motorboats. But to some residents, it feels like another example of environmentalists from somewhere else imposing limits on their livelihoods. Meanwhile other residents see a danger to their region’s lakes, groundwater, wildlife, health, and economy from this new mining, which, unlike iron ore extraction, can create [poisonous acids](#). Each side points to supposedly benign or calamitous consequences from sulfide mining elsewhere in the United States.

Nearly 2,000 miners have been laid off since last March, a crisis dire enough that Governor Mark Dayton called for a special legislative session to deal with the fallout. The suspended production at taconite plants has heightened fury over the proposed PolyMet copper-nickel mine, which the Canadian developer says will eventually produce 350 permanent jobs for approximately 20 years. Many argue that these layoffs, even if temporary, make it imperative to create new mining jobs. Many others believe this bad news means the region must redouble its efforts to move beyond the vulnerability of a boom-and-bust economy — and they worry that the health and ecological threats posed by sulfide mining dim prospects for cultivating new industries.

A Changing Economic Landscape

As important as mining is to some communities here, the fact is northeast Minnesota (defined here as north of the metro area and east of Brainerd and Bemidji) is a vastly different place than it was 30 years ago. Even in the six-county area encompassing the Iron Range, mining accounted for only 12 percent of the economy (less than health care at 13 percent), according to a 2012 study from the IMPLAN group cited in a report from the Iron Range Resources and Rehabilitation Board (IRRRB), a state economic development agency. Taken together, tourism (5 percent) and timber (3 percent), both of which depend on a healthy environment, provided two-thirds as much economic activity as mining.

Duluth, whose population shrank by 15,000 between 1970 and 1990, has bounced back economically thanks to tourism, education, health care, aviation, and advanced manufacturing. The city’s unemployment rate stood at 2.9 percent in the fall of 2015, and Duluth is winning national recognition as a lively, livable place with unmatched opportunities for outdoor recreation along with top-notch music and craft beer. Readers of *Outside* magazine voted it America’s Best Town by a large margin in a highly publicized survey.

The North Shore of Lake Superior has evolved from a stretch of waterfalls and cabins catering to

passing motorists into an ecotourist destination drawing people interested in exploring local cuisine, pursuing arts and crafts, and experiencing nature in many ways from dogsleds to kayaks to yurts.

At the southern end of the northeast region, communities are capitalizing on their proximity to the Twin Cities metro region — luring visitors to casinos and stellar state parks but also courting people and businesses to relocate with the promise of a pleasing blend of North Country comfort and urban access. Mille Lacs County (which was officially added to the Minneapolis-St. Paul metropolitan area in March 2015) and Pine County both registered 40 percent population growth between 1990 and the most recent census in 2010.

Grand Rapids, on the edge of the Mesabi Range, enthusiastically embraces the arts and healthy living in a push to attract and keep families. Crosby-Ironton sees gold in them that iron pits as mountain bicyclists converge to pedal steep, wooded hillsides at the state-of-the-art [Cuyuna State Mountain Bike Trail System and Recreation Area](#).

Other northeast communities are staking their future on making themselves more appealing to all residents, with efforts such as innovative senior services in Moose Lake and Aitkin County, or Pine City's downtown revival.

“The secret to success is making places where people want to live,” declares [Aaron J. Brown](#), a prolific 35-year-old blogger who lives near Grand Rapids and describes his beat as “Modern Life in Northern Minnesota.”.

Brown is skeptical of what he calls “boom chasers, smokestack chasers, these big things that promise to put 100 guys in work clothes.” This is based on a lifetime of seeing such plans fall short of the mark in northeast Minnesota. “If you want to spend money on economic development, spend it on making the town a better place to live. If you want to make your town attractive to business, make it attractive. Look at how to make the schools better. These have not been the highest priority.”

Recent figures from the Minnesota Department of Employment and Economic Development (DEED) show more than two job seekers for every full-time job opening in northeast Minnesota as a whole. Forty percent of job openings are part time, and the median hourly wage for all available jobs is \$11.53. Meanwhile DEED's cost of living research shows that approximately \$14 an hour is necessary to support a family of three in the region with one adult working full time, and one part time. (DEED's boundaries for northeast Minnesota are slightly different from those used in this report.)

Iron Range: Love It and Find a Way Not to Leave It

This corner of Minnesota is famed for the feisty cultural mix forged by working-class Slavs, Italians, Finns, Scandinavians, French Canadians, Irish, Jews, Cornish, and Greeks who settled wherever mining companies opened up rich veins of ore for excavation. Even today, some communities here seem more like Old World villages than contemporary Midwestern towns.

Yet iron no longer defines northeast Minnesota, just as milling hasn't defined Minneapolis since the 1930s. Employment in the mining industry was about 4,200 before the recent round of layoffs, according to Roy Smith, director of talent development at Iron Range Resources and Rehabilitation Board (IRRRB). That's down from 15,000 in 1979. The reasons are numerous, including "steel dumping" (exporting steel at artificially low prices to gain market share) by China and Australia, as well as automation. "While mines are still producing, they're employing less people," blogger Aaron Brown explains.

"Mining, with its peaks and valleys, will continue to play a big role in the region," Smith says, noting that each mining job translates into additional jobs for the region. "But the most valuable asset that we have is the skill set of people in the mining and timber industries," which can be valuable to other industries coming in. He points out that firms born on the Iron Range to support mining operations now work worldwide on construction projects.

In the next few years many baby boomers with mechanical and engineering expertise will be retiring across the United States, which should make the highly skilled Iron Range workforce appealing to employers. The IRRRB is committed to "education-based economic development." Smith's focus is to make sure the Range continues to produce highly trained workers by partnering with business and industry to create training programs at colleges of the Northeast Higher Education District (NHED), which graduate workers with a core set of skills valuable to a variety of manufacturing and natural resource industries.

"There are now a host of two-year, four-year, and master's degree opportunities for people living in the region," says Smith, pointing to Iron Range Engineering, a new "project-based" program created by NHED and Minnesota State Mankato that allows Range students to earn a bachelor's degree in engineering close to home. "The program produces approximately 25 highly skilled engineers who graduate with industry experience built in as part of the program," Smith explains. "They have a placement rate over 95 percent with the vast majority choosing to stay in the region."

He contrasts this with his own experience. "When I graduated from Hibbing High School in 1981," Smith says, "everyone got a diploma and set of luggage because it was expected you'd leave." And he did head west to Nevada for 20 years before returning home "to work on the issues that caused me to leave in the first place."

"We're born with this homing chip, which brings us back home to the Range," he jokes, highlighting one of the chief traits of the region — an intense pride of place — which can be a liability as well as a key asset. "A lot of people say things are fine here, and don't need to change," Smith notes.

Brown, who grew up near Eveleth, observes, "Many people here want the good old days back and

can't accept new ideas coming from people who don't hunt or fish or mine.”

Brown offered his own recommendations for reviving the Iron Range's economy:

High speed broadband Internet is ubiquitous in towns and the country.

- Schools prepare children to think critically with an eye for entrepreneurship and creativity.
- Dying businesses, groups, and organizations are allowed to die, creating space for new ones to take over.
- Empty buildings and spaces are used for low-cost business incubation and community improvement efforts. City councils must focus on the guts of their towns, not the edges.
- Spending is focused mostly on small projects with specific, permanent community outcomes.

Jessalyn Sabin, 26, cochair of [ReGen](#), a forum for young professionals dedicated to attracting young talent to the Range and keeping them, observes, “People here ask you who your grandparents are. That sense of community is a strength in many ways but can also make it hard for people moving in.”



An iron miner's daughter from Side Lake, Sabin moved back from Duluth to teach biology at Hibbing Community College and can identify with newcomers. “People have been leaving here since the time of Bob Dylan. That's part of why we have the oldest population on average in the state. We need to create a more inclusive culture that welcomes people, including revitalizing the downtowns so people have a place to gather and meet.”

ReGen surveyed its members about the Iron Range's strengths and weaknesses. Among the positives were proximity to family, the outdoors, a low cost of living, and increased career options at local colleges. What's needed most: more childcare, arts and culture, places to hang out besides bars, and jobs for trailing spouses.

Grand Rapids on the Move

With a paper mill towering over its downtown and a five-lane highway bisecting it, Grand Rapids is not postcard picturesque. But the town is seeing modest population gains, and a stroll downtown debunks stereotypes about rural communities being moribund or behind the times. The MacRostie Art Center offers a gallery, well-curated gift shop, studios, and classrooms for budding artists of all ages in a storefront down the block from Bender's Shoes (since 1973) and Brier Clothing (since 1937). Across the street, a handsome old school now houses a vintage store, a spa, and craft shops.

A well-stocked bookshop, an organic foods market, and a bike shop are all nearby along with the

engaging Itasca County Historical Museum, which has an exhibit chronicling local-girl-makes-good Frances Gumm (aka Judy Garland). The adjacent Mississippi riverfront features a walking trail, a striking new public library, an amphitheater, and KAXE 91.7 FM, the nation’s first rural public radio station, which has been giving voice to northeast Minnesota’s independent spirit since 1976.

Across the river from the downtown lies another hub of activity, the Itasca County YMCA, which spearheads an ambitious community health collaborative, Get Fit Itasca. “What’s unique is that it’s a cooperative effort — the YMCA, Itasca Public Health Department, Grand Rapids Area Chamber of Commerce, the City of Grand Rapids, the Blandin Foundation, Itasca Area Schools, the City of LaPrairie, and more,” says Meghan Bown, director of the program.

Their mission is to “engage all people in the Itasca area to make healthy choices and participate in activities that improve their quality of life.” They strive to create a culture of health through walking clubs, new bike lanes (which earned it honors as a Bike Friendly Community from the League of American Bicyclists), new walking routes, sidewalk improvements, a Safe Routes to School program for kids, mountain biking and ski trails, community fitness classes, a community garden, and increased access to healthy foods at schools and in workplaces. The Y has become a place where all ages come together, from kids in the after-school programs to seniors taking part in ElderCircle. “My mom will come for a morning class and stay until two, playing cards and getting some soup at the café.”

Duluth: Brooklyn with Trout Fishing and Skiing?

Things looked so bleak in Duluth in the 1980s that some wag put up a billboard along the southbound lane of I-35 asking, “Will the last one leaving Duluth please turn out the light?”

Who could have imagined that 30 years later the city would be reaping laurels like *Outside* magazine’s influential Best Town honor (beating out typical suspects Boulder, Colorado; Bend, Oregon; Asheville, North Carolina; Burlington, Vermont; and Minneapolis), and earning credit for nationally renowned bands like Low and Trampled by Turtles.

So how did Duluth go from poster child for Rust Belt decline to one of America’s coolest towns, literally and figuratively? Former Mayor Don Ness summed it up in an [interview](#) with *Bicycling* magazine: “Most cities put a premium on making life easy. Cities like Duluth put a premium on making life interesting.”

“Duluth is 26 miles long, built on a hillside. On that hill are 40 streams,” Ness told the magazine. “What we tell folks is that you can live in this city, and have world-class mountain biking, skiing, kayaking, and sailing right out your back door, right in the city.”

Indeed, vacationers can find waterfalls, rushing streams, and woodland hiking trails that rival the North Shore in inner-city oases like Lincoln Park and Lester Park. And those are small patches of green compared with the wild stretches of Hartley Park, Hawk Ridge, Brewer Park, Magney-Snively, Frederic Rodney Paine Forest Preserve, and Spirit Mountain, that give Duluth reason to brag. Within the city limits are 16 designated trout streams, 22 downhill ski runs, 40 miles of

cross-country ski trails, and 60 miles (soon to be 100) of mountain biking trails. The Lake Superior Hiking Trail winds through the city's west side, as does the Willard Munger State Trail, where bikers and snowmobilers can swoosh or roar. An old gravel quarry is being eyed as a climbing facility, especially for use in winter when its walls are coated with ice. Even Jay Cooke State Park lies partly within Duluth's boundaries.

Duluth's natural bounty and sweeping views of Lake Superior enrich the city far beyond tourist dollars. Lincoln Park, where Miller Creek dramatically tumbles in a series of waterfalls through a sylvan gorge, is the centerpiece of revitalization on the long-beleaguered west side. A few blocks away is the popular Bent Paddle Brewing Company, a branch of the Duluth Art Institute, and Frost River Trading Company (a store selling bags of every possible variety from toiletry kits to huge canoe packs in a stylish, rustic design of waxed canvas and leather made on-site) a stone's throw from the SRO Esmond Building (formerly the Seaway Hotel), thrift stores, and dive bars.

On the east side, Chester Creek, Tischer Creek, and Lester Park border hillside neighborhoods with tree-lined blocks of old homes in Tudor, Georgian, Dutch Colonial, Prairie, and Foursquare styles. Duluth may be the last city left with intact historical character where a moderately successful designer, artisan, or entrepreneur might be able to afford a house built for a lower-rung robber baron.

One of the most distinctive neighborhoods in America is Park Point, the modest Miami Beach of the North, a literal sandbar poking into Lake Superior lined by funky old (and some not-so-funky new) houses with a beach out back. Residents have established a community garden at the Lafayette Square Community Center and vigilantly monitor development proposals for the area.

Along the St. Louis River, the focus of new ecological restoration projects, the Riverside and Morgan Park neighborhoods are true urban villages featuring clusters of vintage homes served by parks, a bike path (Riverside), and local shops (Morgan Park).

The Canal Park and Lakewalk areas are well known to vacationers, who come to see huge freighters steaming into port and enjoy treasures like homemade sausage at the Northern Waters Smokehaus and cocktails at the Vikre Distillery. Too many travelers bypass downtown Duluth, home to the Zeitgeist Center for Arts and Community, which includes a gallery, performance space, café, and cinema; the Electric Fetus, a gloriously old-school record store; the Depot, home to a top-notch train museum, the Duluth Art Institute, and the Duluth Playhouse; and Bob Dylan's early boyhood home (519 North Third Avenue East).

Sorely needed for both tourists and locals is better pedestrian access between Canal Park and Duluth's main drag, Superior Street. Right now there are a couple of unpleasant bridges with sidewalks placed inches away from heavy auto traffic, and one pedestrian walkway that is nearly impossible to find from the Lakewalk.

With an accent on authenticity, a one-of-a-kind natural setting, and a youthful spirit buoyed by the numerous college students, Duluth seems poised to thrive in a coming economy fueled by creativity more than by oil and steel. Yet there are still challenges ahead, including a drop in enrollment since 2010 and sharp state budget cuts at the University of Minnesota Duluth, and that the fact that Duluth's admirable progress to date has brought only stability, not growth, to its population.

Another question is what happens now that Don Ness has left office, succeeded by political ally Emily Larson.

Proctor Defies the Odds

Proctor, according to conventional wisdom, ought to be a sleepy bedroom community with no real identity of its own. The attractions of Duluth right next door, plus the convenience of strip malls and big box retailers on the Interstate, should have ravaged Main Street and sucked out all the life. The closing of the PDM steel fabrication plant downtown in 2013 should have been the last nail in the coffin for this old railroad town.

Yet a look around tells a different story. The First National Bank of Proctor, the Proctor Pharmacy, Proctor True Value Building Supply, the Proctor Pizza & Sub Shop, the Keyboard Lounge, and Moose Lodge #1302 anchor downtown. Nearby are the Proctor Journal newspaper, Bay View Elementary School, and Proctor High School. What explains the town's relative vitality?

The answer can be found a few steps away at the Proctor Community Center and the Proctor Area Historical Society. The reason Proctor endures is social capital, a sociologist's phrase describing people's active engagement in their community. The Community Center is a combination city hall, public library, food shelf, utilities office, public access TV studio, community education classrooms, and local gathering space with a small history exhibit.

The Proctor Area Historical Society offers local history in the old offices of the Duluth, Missabe and Northern Railway. It has 118 members, 20 of whom volunteer at the museum regularly, explains President Jan Resberg. Some don't even live in Proctor, including Resberg himself. "I came over here from Superior, Wisconsin for a look," he recalls, "and next thing I knew I had joined the organization."

Radio Free Two Harbors

Social capital also abounds in a cramped three-room office tucked behind a Vietnamese restaurant in Two Harbors. Welcome to the studio of KTWH 99.5 FM, a nonprofit micro radio station dedicated to "hearing local voices" which hit the airwaves last fall. From breakfast to evening every day KTWH broadcasts devoutly eclectic programming 10 miles in most directions. The lineup includes shows focusing on veterans issues, electronica, Nordic culture, gospel tunes, happenings at the local high school, indigenous people's news, shipping news, and possibly the only show in America devoted to the steel guitar. KTWH programming is also available on an [Internet stream](#).

On the station's second full day on the air, the Lake County Sex Trafficking Task Force was taping its next edition of "Voices of Hope," which is broadcast at 1 p.m. on Tuesdays. "We have an open door policy," says Leo Babeu, vice chair of the board and a veteran of KUMD 103.3 FM public radio in Duluth. "All programmers are volunteers, so there's a passion to their programs."

The necessity for a community radio station hit home for founder and board chair Fran Kaliher

during the flash flood of 2012 as she desperately sought information about which routes into town were passable. “One of the big missing things here is how to find out what’s going on — even in a small town like this,” Kaliher notes.

Reflecting the community’s authentic identity is another mission, says Babeu. “Two Harbors is not Twin Cities people’s idea of what the North Shore is. This is a blue-collar town. We don’t get the wealthy retirees.” Finding common ground is another mission. “There are people who don’t necessarily talk to each other who will be on the air together,” he says.

Aquaculture in Silver Bay

On the North Shore, local food means whitefish, smoked trout, and berry pies, not greens, peppers, or cherry tomatoes — at least not October through May. But in a small building just off Highway 61, the University of Minnesota Duluth and City of Silver Bay have worked to change that with Victus Farm, an experiment in year-round food production.

At first, the operation seems like a scientist’s laboratory crossed with an Italian restaurant down to the smell of pesto everywhere. Green shoots of lettuce, herbs, hops, peppers, tomatoes, and basil sprout from cupfuls of soil connected by plastic hoses under the glare of grow lights.

“There’s steady demand for fresh, organic food here,” explains Lana Fralich, city administrator for Silver Bay, which owns the facility. “We’ve learned you can grow it this way on a commercial scale by a family or small business.”

Aquaponic and hydroponic produce grown at Victus Farm has already been sold at farmers’ markets, to local restaurants, and in grocery stores. The water circulating throughout this facility also produces fish, which provide nutrients to the plants and can be sold at a profit.

“This is a prototype we hope will draw interest from the private sector. Our goal is to do the research to help them do it on a bigger scale,” Fralich explains.

The need for diversifying northeast Minnesota’s economy is very apparent at Victus Farm, which lies in the shadow of the now idled Northshore Mining plant. Organic vegetables alone will not replace taconite as an economic lifeline for Silver Bay and other mining-dependent towns, but results here suggest that locally grown food can play a part in achieving a healthier future — economically and otherwise.

Prototyping the Future at Will Steger’s Wilderness Center

While northeast Minnesota struggles with economic uncertainty in its legacy industry — mining — the potential of a dawning industry is being demonstrated in a remote corner of the Iron Range.

The Will Steger Wilderness Center, founded near Ely by the celebrated polar explorer, is the site of one of Minnesota’s first and largest renewable power grids — a next generation energy system providing all the facility’s electricity with solar (and eventually wind and biomass) power.

The whole complex, which includes five buildings and a five-story conference center under construction, is powered by a state-of-the-art network of solar panels manufactured in Bloomington by Ten K Solar, as well as battery packs.

The system currently generates [10 to 12 kilowatts of power](#), with plans to ramp up to 20 to 30 kilowatts. It was installed by Sundial Solar of Minneapolis in partnership with the University of St. Thomas School of Engineering and Cummins Power Generation. Students from the University of St. Thomas and Anoka-Ramsey Community College are studying the power grid's operations.

“The whole idea is that it is a demonstration project to show that [power grids] can be done,” explains Sundial CEO Jon Kramer. “It blows my mind what we’re doing.” Future plans call for using solar panels that will be manufactured by Silicon Energy in the nearby town of Mountain Iron.

The Wilderness Center encompasses Steger’s home, the lodge where all his polar expeditions were plotted, housing for staff and interns, a wood workshop, and the architecturally stunning conference center. Conceived by Steger during a prolonged blizzard on a dogsled expedition across Antarctica and built over the past 25 years mostly by apprentices working with master craftspeople, the conference center will bring together small groups of business, political, and citizen leaders to brainstorm solutions to critical environmental and social problems. The renewable power grid, Steger explains, will remind meeting participants about all that’s possible.



The center — which looks like an amalgam of a ski lodge, Gothic cathedral, and solarium — is 85 percent complete and will host a pilot symposium about clean energy this fall, according to Steger.

Grand Marais on the Go

For anyone who hasn’t ventured up the North Shore recently, Grand Marais holds a few surprises. Chef-driven restaurants, two breweries and a big new home for the local food coop now stand alongside northwoods-themed gift stores, shops selling fudge, and Sven & Ole’s pizza.

Even City Hall looks different these days. The municipally owned tavern is gone, the mayor is a 32-year old wilderness guide, and two of the four city council members are in their mid-30s. Mayor Jay Arrowsmith DeCoux was elected in 2014 on a platform that included encouraging more year-round business development, affordable housing, and entrepreneurship — issues he says matter to young families. “It’s expensive to live here and job opportunities are limited, so that’s where we need to focus.”

There are plans to open a local COCO, coworking and collaborative space with up-to-date technology that can be shared by startup businesses and individuals who work for themselves or for employers based elsewhere. “The broadband is good here,” says the mayor, “and we have tons of entrepreneurs because you have to be one up here to make a living.”

Arrowsmith DeCoux is among them. After growing up in Medford, Minnesota and graduating from St. Olaf College, he fell in love with the North Country while working as a canoe guide in the Boundary Waters and stayed. He crafts a livelihood from leading wilderness trips and running an arts-themed bed-and-breakfast with his wife, Rose. They also teach at the North House Folk School — Jay offers classes on sausage-making, and Rose teaches storytelling.

The folk school offers 400 classes a year, which range from boat-building to Nordic herbal medicine, drawing 2,400 people from 36 states for an average of two to three days. Ten thousand more show up for sailboat rides or special events like music concerts.



“We call them students – our neighbors call them tourists,” says executive director Greg Wright, noting that more people come to take classes in February than in August, which generates business in the off-season. Over 140 regional artisans working in a variety of occupations supplement their income by teaching at the school, with some clearing \$10,000-\$14,000 a year, Wright estimates.

Other folk schools have sprouted in Ely and Lanesboro, with another discussed for Grand Rapids, which show the promise of arts and crafts tourism in rural Minnesota. “You don’t come to Grand Marais by accident,” Wright points out. “People make a pilgrimage to come to the school because making ‘real’ things in a setting like this does things for your heart, your hands, and your soul.”

Welcome to the Heart of the Continent

Tourism is often touted as the industry to succeed mining as the economic mainstay of northeast Minnesota. But this overlooks two complicated issues: (1) tourism generally creates low-wage jobs, and (2) an increase of vacationers can exacerbate environmental challenges..

The [Heart of the Continent Geotourism Initiative](#) — a partnership between the National Geographic Society and local stakeholders and public land managers throughout the region — offers a different vision of what tourism can be. The Heart of the Continent covers five million acres between Duluth, International Falls, and Thunder Bay, Ontario — most of it public land offering natural, historical, cultural, and recreational attractions.

Geotourism means creating travel destinations where the presence of visitors “enhances the geographic character of a place, its environment, culture, aesthetics, heritage, and the well-being of its residents.” The National Geographic Society has championed similar initiatives in the Yellowstone region, the Bahamas, Sri Lanka, the Sedona Verde Valley in Arizona and 14 other places around the world.

The centerpiece of the geotourism initiative is an online Geotourism MapGuide detailing unique experiences ranging from Voyageurs National Park near International Falls to Clearwater Lodge on the Gunflint Trail to the world’s largest freestanding hockey stick in Eveleth. It debuted last spring with the goal of getting visitors off the highways and into the authentic experiences and culture of the region, which can help foster environmentally sustainable development and create economic opportunities beyond low-wage service jobs.

The Heart of the Continent, according to the National Geographic Society’s geotourism director, James Dion, is about “smartly sharing the region’s tremendous scenic, historic, and cultural assets, and helping them thrive together for future generations.”

Looking Ahead

There’s little doubt that layoffs in the mining industry pose major problems for northeast Minnesota in the near future, and likely much longer. Jobs paying \$80,000-\$90,000 on average won’t be simple to replace. The threat of mine shutdowns has loomed over the region since at least 1941, when the state founded the Iron Range Resource and Rehabilitation Board to spur other economic opportunities. Seventy-five years later, that task remains as urgent as ever.

No silver pickax has been discovered that will effortlessly provide bountiful middle-class wages to thousands of blue-collar workers. Continued prosperity depends on digging deep into the region’s assets beyond ore in the ground. This means natural beauty, community pride, cultural traditions, renewable resources of the forests and waters, a robust work ethic, a hardy entrepreneurial drive, and the unique appeal and social solidarity of a place like no other in the country.

ABOUT FOOD FOR THOUGHT

This publication was commissioned by The McKnight Foundation as part of the “Food for Thought” series — a collection of third-party reports that inform our program strategies and are shared with the fields we support.

This publication is available for download at www.mcknight.org.

ABOUT THE McKNIGHT FOUNDATION

The McKnight Foundation seeks to improve the quality of life for present and future generations. We use all our resources to attend, unite, and empower those we serve. Founded in 1953 and independently endowed by William and Maude McKnight, the Minnesota-based Foundation had assets of approximately \$2 billion and granted about \$88 million in 2014. Learn more at mcknight.org, and follow us on [Facebook](#) and [Twitter](#).

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Jay Walljasper — author of the *Great Neighborhood Book* and Urban Writer-in-Residence at Augsburg College — writes extensively on community-building, economic development, and social issues. This is the second in a four-part series looking at Minnesota beyond the metro region. His report on southeast Minnesota is available [here](#). His website is JayWalljasper.com.

PHOTO CREDIT

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Page 11 — Steger Wilderness Center. Photo by John Ratzloff.

Page 12 — The North House Folk School offers sail trips aboard a traditional 50-foot rigged schooner. Photo courtesy of the author.

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