



Environment and Natural Resources Trust Fund

2027 Request for Proposal

General Information

Proposal ID: 2027-175

Proposal Title: Two Harbors Waterfront: Enhancing the North Shore Experience

Project Manager Information

Name: Kjersti Monson

Organization: City of Two Harbors

Office Telephone: (612) 836-8266

Email: kjersti@duvalcompanies.com

Project Basic Information

Project Summary: The City of Two Harbors seeks to develop a park on 20+ acres of formerly industrial Lake Superior Agate Bay waterfront legislatively conveyed to the City by MN DNR.

ENRTF Funds Requested: \$1,620,000

Proposed Project Completion: July 31, 2030

LCCMR Funding Category: Education and Outdoor Recreation (C)

Project Location

What is the best scale for describing where your work will take place?

Statewide

What is the best scale to describe the area impacted by your work?

Region(s): NE

When will the work impact occur?

During the Project and In the Future

Narrative

Describe the opportunity or problem your proposal seeks to address. Include any relevant background information.

Conveyance by the State of 20+ acres of North Shore waterfront has given the City a consequential opportunity to restore its relationship to the Lake, but the site is burdened with costly problems. A dangerously decaying pier is a public hazard requiring a fenced waterfront. Some parts of the site have known pollution from an industrial past. There are industrial ruins (coal rails) on site. And as the historic location of the original “Whiskey Row” settlement, there are important cultural and interpretive aspects to consider. The City has worked with Lake County SWCD, Lake County, local stakeholders, and an appointed Waterfront Task Force to create a robust vision and strong commitments, and is ready to take action. It has the opportunity to do so alongside funded parallel initiatives including a coastal engineering plan managed by the City and County and funded by NOAA, now at 60% design (addressing Agate Bay shoreline, decaying docks, and aquatic habitat), and a proposal for new development abutting the site that would complement the new park (a hotel and conference center). The benefits of this project to the City and the North Shore more broadly are environmental, educational, cultural, recreational, and economic.

What is your proposed solution to the problem or opportunity discussed above? Introduce us to the work you are seeking funding to do. You will be asked to expand on this proposed solution in Activities & Milestones.

The City is requesting ENRTF funds to complete pre-design and design phases of the park restoration component of the Agate Bay waterfront, including gap analysis and updates to required Phase I, Phase II ESA, historic resource survey, wetland delineation, and site design for non-coastal features from concept through 100% design. The City (lead) is actively coordinating with Lake County Soil & Water Conservation District, an agency partner. In addition to the coastal engineering plan underway, Lake County SWCD also installed a biochar swale in a distressed wetland zone on site, and, with the City, will further restore those wetlands. The City, through its Waterfront Task Force, has developed a consolidated waterfront vision including parks & recreation, trails, natural resource lands & habitat, and educational/interpretive features, which are consolidated with the coastal engineering and wetland restoration design. Through intergovernmental coordination, the City and LCSWCD will implement a cohesive waterfront improvement. The new waterfront park will be an asset for visitors and residents, featuring interpretation and learning about the environment and historic Whiskey Row, restored wetland habitat, dramatic views of the lake and Lighthouse Point, including views of thousand-foot ships coming to the massive functioning Ore Docks, and all-season activation and recreation.

What are the specific project outcomes as they relate to the public purpose of protection, conservation, preservation, and enhancement of the state’s natural resources?

Lake Superior's North Shore waterfront is a local, regional, and state asset. It has environmental, historic, cultural, and economic value to Two Harbors, and the entire State. Transforming these 20+ acres of distressed former industrial North Shore waterfront to environmental health and public use and enjoyment, and bringing neglected natural resources and habitat fback to life or the benefit of wildlife, is fully consistent with the goals of the Environment & Natural Resource Trust Fund. This project serves an important public purpose. The committed local and County collaboration, and the presence of other supporting funds, is consistent with LCCMR match requirements.

Activities and Milestones

Activity 1: Complete Predesign Review through the Dept. of Administration

Activity Budget: \$40,000

Activity Description:

Submit letter and predesign package, and complete Predesign review (verify that this is required for this project).

Activity Milestones:

Description	Approximate Completion Date
Submit letter and predesign package, and complete Predesign review.	July 31, 2028

Activity 2: Gap Analysis & Studies

Activity Budget: \$150,000

Activity Description:

Update prior Phase I, Phase II Environmental, Historic Resource Surveys, Wetland Delineation, and other needed studies that may be identified.

Activity Milestones:

Description	Approximate Completion Date
Phase I, Phase II ESA - Gap Analysis & Report Updates	December 31, 2027
Historic Resources - Gap Analysis & Report Updates	December 31, 2027
Other Studies & Process Compliance as Needed (Anticipated - Historic Significance)	December 31, 2027
Consultation with SHPO (Concurrent with Gap Analysis Studies)	December 31, 2027
Wetland Delineation - Gap Analysis & Report Updates	May 31, 2028

Activity 3: Coordinated Design

Activity Budget: \$1,430,000

Activity Description:

Design & Project Management Milestones including 35%, 65%, 95%, and 100% Design

Activity Milestones:

Description	Approximate Completion Date
RFP for Design Services	May 31, 2028
Coordinated 35% Design	June 30, 2028
Coordinated 65% Design	November 30, 2028
RFP for CM Advisory Services & Permit/Compliance/Cost Prep parallel with 65%-100% Design	November 30, 2028
Coordinated Design (consolidated plan), Constructability & Permit Planning, & Cost Estimating to 95% Design	February 28, 2029
Coordinated Design (consolidated plan), Constructability & Permit Planning, & Cost Estimating to 100% Design	May 31, 2029

Project Partners and Collaborators

Name	Organization	Role	Receiving Funds
Kari Hedin	Lake County Soil & Water Conservation District	Coordinating Agency	No
Matthew Johnson	Lake County HRA Director	Lake County Liasion	No
Ellen Lynch	Lake County Historical Society	Coordinating Agency	No
Tracy Chaplin	UMN Extension - Regional Sustainable Development Partnerships, Northeast Region	Past & Future Funder, Engagement Co-Facilitator	No

Dissemination

Describe your plans for dissemination, presentation, documentation, or sharing of data, results, samples, physical collections, and other products and how they will follow ENRTF Acknowledgement Requirements and Guidelines.

The City of Two Harbors maintains a project StoryMap site that will include Acknowledgements for funders.

Acknowledgements will also be included in public communications and press releases pertaining to the project, and in any exhibits or public open house events hosted by the City.

Long-Term Implementation and Funding

Describe how the results will be implemented and how any ongoing effort will be funded. If not already addressed as part of the project, how will findings, results, and products developed be implemented after project completion? If additional work is needed, how will this work be funded?

The current request is focused on pre-development tasks related to restoring the former industraili lands to parklands, including. gap analysis and updates to prior Phase I, Phase II environmental studies, wetland delineation, historic resource survey, and site design. It is coordinated with the abutting coastal engineering plans. When pre-development tasks are completed for the park component, the City anticipates advancing to construction phases. Construction costs are not included in the current request, which is focused on pre-development activities and requirements. A future LCCMR request for a portion of capital project hard costs is contemplated.

Project Manager and Organization Qualifications

Project Manager Name: Kjersti Monson

Job Title: Project Manager

Provide description of the project manager's qualifications to manage the proposed project.

Kjersti has been working with the City of Two Harbors and its Waterfront Task Force to develop a plan for its waterfront since 2023. She works directly with the Mayor, City Manager, and key staff, as well as key government partners at Lake County, and is tasked with managing the project and the process. Kjersti is the majority owner of Duval Companies, and was formerly the Planning Director for the City of Minneapolis. She brings multiple decades of experience implementing

urban projects from both public and private sector roles, including managing the implementation of Owámniyomni Okhódayapi's riverfront restoration in Minneapolis, and the Downtown Commons Park from RFP through construction. Prior to owning her own business and her time in government, she led the Real Estate Strategy market sector, U.S. Eastern region, at AECOM, a multinational architecture and engineering firm headquartered in Los Angeles. Kjersti holds a Masters in Urban Planning (with distinction) and a Masters in Landscape Architecture from Harvard University. She is an Affiliate Researcher of the Minnesota Design Center (UMN), and a Resource Professional for the Mayors Institute on City Design, a nonprofit associated with the US Conference of Mayors.

Organization: City of Two Harbors

Organization Description:

The City of Two Harbors, population 3,598, is located in Lake County, MN, on the North Shore of Lake Superior approximately 15 minutes north of Duluth. Two Harbors is the birthplace of 3M, and is home to the first Ore Docks in the State. It is an active federal port, with a navigation channel maintained by the US Army Corps of Engineers. Two Harbors is the government seat of Lake County, and home to more than 70% of the jobs in the County. The hospital, service organizations, government offices, and schools in Two Harbors are important economic development assets for the entire region. Its Agate Bay waterfront is a unique place where 1,000 foot boats dock at the massive ore docks. However, the formerly industrial waterfront land at Agate Bay is a challenge: unused and decaying docks have created unsafe conditions necessitating a fenced shoreline at this otherwise beautiful location. Conveyance by the State to the City of 20+ acres of Lake Superior waterfront at Agate Bay will be completed in 2026, and the City plans to transform this site into a living waterfront park that restores environmental health, interprets significant history, and creates scenic beauty.

Budget Summary

Category / Name	Subcategory or Type	Description	Purpose	Gen. Ineligible	% Benefits	# FTE	Classified Staff?	\$ Amount
Personnel								
							Sub Total	-
Contracts and Services								
Prime Design & Engineering Firm TBD	Service Contract	Design Services through 100% Design				12		\$1,190,000
Pre-design Studies (Environmental, Historic) Consultants TBD	Subaward	Phase I, II ESA; and other studies TBD				4		\$40,000
Historic Resource Consultant / Archaeologist	Subaward	Gap analysis and update to historic surveys conducted previously on identified historic resources on the site.				2		\$32,500
Wetland Delineation Consultant	Subaward	Gap Analysis and update to wetland delineation on the site.				2		\$7,500
Project Direction / Contract Management	Service Contract	Project Management, Multi-Agency Coordination, RFP & Contract Management, O&M Planning				5		\$250,000
CM Advisory Services	Service Contract	Guidance from 65% design through CDs on cost, compliance, insurance, bid preparation, and construction contract preparation.				6		\$100,000
							Sub Total	\$1,620,000
Equipment, Tools, and Supplies								
							Sub Total	-
Capital Equipment								

							Sub Total	-
Acquisitions and Stewardship								
							Sub Total	-
Travel In Minnesota								
							Sub Total	-
Travel Outside Minnesota								
							Sub Total	-
Printing and Publication								
							Sub Total	-
Other Expenses								
							Sub Total	-
							Grand Total	\$1,620,000

Classified Staff or Generally Ineligible Expenses

Category/Name	Subcategory or Type	Description	Justification Ineligible Expense or Classified Staff Request
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Non ENRTF Funds

Category	Specific Source	Use	Status	Amount
State				
			State Sub Total	-
Non-State				
Cash	Citizens Institute on Rural Design	Community Engagement & Visioning Process	Secured	\$6,000
Cash	Empowering Small MN Communities Grant	Community Engagement, Site Analysis, and Conceptual Planning	Secured	\$40,000
Cash	Regional Sustainable Development Partnerships Grant	6 month City-appointed Waterfront Task Force process, including development of an implementation plan & recommendations	Secured	\$14,000
Cash	City of Two Harbors	Multi-Agency Planning & Coordination	Secured	\$84,000
Cash	City of Two Harbors	Professional Cost Estimating	Secured	\$4,200
Cash	Regional Sustainable Development Partnerships	Interpretive Planning Outreach & Engagement	Potential	\$15,000
Cash	City Matching Funds	Pre-Design, Design	Pending	\$290,000
Cash	City of Two Harbors	City staff and leadership time, and Planning Staff Extension costs, to facilitate and support Waterfront Task Force, and create public-facing StoryMap	Secured	\$10,635
In-Kind	City of Two Harbors	City In Kind support for facilitation of 6-month Waterfront Task Force convening (meeting materials. audio/visual equipment, meeting venues, public open house comment cards, library exhibit, and other resources contributed).	Secured	\$900
Cash	City of Two Harbors	City staff and leadership time to support the CIRD Visioning Process & workshop.	Secured	\$335
In-Kind	City of Two Harbors	City In Kind support for the CIRD visioning process and community workshop (meeting materials. audio/visual equipment, venue).	Secured	\$75
Cash	City of Two Harbors	City staff and leadership time to support the two-year ESMC planning, outreach and engagement process.	Secured	\$6,680
In-Kind	City of Two Harbors	City In Kind support for public engagement and meetings during the two-year ESMC planning process (meeting materials. audio/visual equipment, community and stakeholder meeting venues, and other resources contributed).	Secured	\$1,500
Cash	City of Two Harbors	City staff and leadership time to facilitate and support biweekly multi-agency coordination with Lake County Soil & Water on the coastal engineering project in order to create a consolidated and integrated waterfront vision.	Secured	\$28,065
In-Kind	City of Two Harbors	City In Kind support for multi-year biweekly multi-agency coordination with Lake County Soil & Water on the coastal engineering project in order to create a consolidated and integrated waterfront vision (integration of drawings, plans, narratives; meeting materials and agendas; venues; collateral).	Secured	\$10,800

			Non State Sub Total	\$512,190
			Funds Total	\$512,190

Total Project Cost: \$2,132,190

This amount accurately reflects total project cost?

Yes

Attachments

Required Attachments

Visual Component

File: [d8d3cec7-7de.pdf](#)

Alternate Text for Visual Component

The graphic depicts Parcel number 23-7600-01415 and Parcel number 23-7600-06605 on the Two Harbors Waterfront, Agate Bay. Conveyance of these parcels to the City of Two Harbors is in process to be completed with MN DNR in 2026. Laws of Minnesota 2023, Chapter 72, Article 2, Section 30....

Financial Capacity

Title	File
City of Two Harbors 2026 Budget	cdc695fb-9f8.pdf
City of Two Harbors Basic Financial Statements	5b9e80fa-70f.pdf

Board Resolution or Letter

Title	File
City of Two Harbors Council Resolution	e6f336b5-c3d.pdf

Supplemental Attachments

Capital Project Questionnaire, Budget Supplements, Support Letter, Photos, Media, Other

Title	File
Letter of Support from Sen Grant Hauschild	40203404-416.pdf
Letter of Support from Rep Natalie Zeleznikar	10b10a70-5a5.pdf
Letter of Support from Lake County Historical Society	2ee3de7a-80e.pdf
Letter of Support from Friends of the Waterfront	259a92d5-f2b.pdf
Letter of Support from Lake County HRA	48805162-072.pdf
Winter Recreation	1c7ac707-44a.jpe
Habitat & Environmental Learning	7e419745-1fb.jpe
Agate Bay Shoreline Trail	068f0158-ee8.jpe
Consolidated Site Plan (Project Rendering)	0620ba9c-f45.png
Questionnaire	6ee3df26-196.pdf
Budget Addendum	5c49a4f5-073.pdf
Letter of Support from Lake Superior School District #381	2c773c69-182.pdf
Letter of Support from Lake County Chamber of Commerce	eeead80b-6d0.pdf
Letter of Support from Lake County Soil & Water Conservation District	e7e320a4-8c5.pdf

Administrative Use

Does your project include restoration or acquisition of land rights?

No

Do you understand that travel expenses are only approved if they follow the "Commissioner's Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan?

N/A

Does your project have potential for royalties, copyrights, patents, sale of products and assets, or revenue generation?

No

Do you understand and acknowledge IP and revenue-return and sharing requirements in 116P.10?

N/A

Do you wish to request reinvestment of any revenues into your project instead of returning revenue to the ENRTF?

N/A

Does your project include original, hypothesis-driven research?

No

Does the organization have a fiscal agent for this project?

No

Does your project include the pre-design, design, construction, or renovation of a building, trail, campground, or other fixed capital asset costing \$10,000 or more or large-scale stream or wetland restoration?

Yes

Do you propose using an appropriation from the Environment and Natural Resources Trust Fund to conduct a project that provides children's services (as defined in Minnesota Statutes section 299C.61 Subd.7 as "the provision of care, treatment, education, training, instruction, or recreation to children")?

No

Provide the name(s) and organization(s) of additional individuals assisting in the completion of this proposal:

Patricia Nordean, City Administrator, City of Two Harbors; Miranda Pietila, Finance Director, City of Two Harbors; Lew Conner, Mayor, City of Two Harbors

Do you understand that a named service contract does not constitute a funder-designated subrecipient or approval of a sole-source contract? In other words, a service contract entity is only approved if it has been selected according to the contracting rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state organizations. These rules may include competitive bidding and prevailing wage requirements

Yes, I understand