

**Minnesota Department of Natural Resources
Northeast Regional Headquarters
1201 East Highway 2, Grand Rapids, MN 55744**

September 04, 2025

Eric Johnson
City of Hermantown- Community Development Director
5105 Maple Grove Road
Hermantown, MN 55811
Phone: 218-729-3618
Email: eric.johnson@hermantownmn.com

RE: Hermantown Industrial Alternative Urban Areawide Review (AUAR)

Dear Mr. Johnson,

The Minnesota Department of Natural Resources (MNDNR) has conducted a review of the **Hermantown Industrial Alternative Urban Areawide Review (AUAR)**. We appreciate the opportunity to review this project and encourage project proposers to continue their coordination with MNDNR and other agencies to protect natural resources and recreational opportunities. Please note that depending on the individual components within the project footprint, additional environmental review requirements under Minnesota's Environmental Policy Act (MEPA) could apply.

Public Water Resources

MNDNR has determined that Hermantown's shoreland ordinance does not comply with state standards and criteria for shoreland management and will be sending a notice to the city to amend their ordinance within 1 year of the date this letter is received. If you have questions about this prior to receiving the letter, please contact Area Hydrologist Bri Speldrich (Brianna.Speldrich@state.mn.us).

The building footprint shown in Figure 3 overlaps a mapped public water; an unnamed stream that flows east and becomes a protected tributary to the designated trout stream, the Midway River, after crossing into Section 32 east of Midway Road. Any activity that alters the course, flow, or cross section of this stream requires a Public Waters Work Permit. Public Waters Work (PWW) Permits must be secured in coordination with the MNDNR Area Hydrologist.

If project plans include elimination of this public water, an Environmental Impact Statement (EIS) under [Minnesota Rule 4410.4400, Subpart 20](#) may be required. Stream elimination may also require replacement. MNDNR has confirmed the extent and presence of this stream within the footprint. If the project footprint moves further south, additional field verification by the MNDNR hydrologist will be necessary. Please coordinate with Bri Speldrich (MNDNR Hydrologist) and provide updated project details, including project footprint and engineering plans, to facilitate any necessary field verifications required for permitting.

Trout Stream Considerations

The proposed development has several significant permitting concerns, given the proximity to public waters and associated cold-water resources (Midway River S-2-10 and West Rocky Run Creek S-2-10-3, in particular) that support naturally reproducing populations of Brook Trout. These areas should be considered as Areas of Environmental Sensitivity and should require stringent levels of regulatory protection. Restrictions should include fisheries work windows that would prohibit in-water work from Sept 15-June 30 annually and the implementation of natural stream channel design and fish passage considerations through constructed stream crossings.

Stormwater management will require a higher-level infrastructure to be compliant with sedimentation, point-source pollution, and thermal tolerances near protected trout streams. Considerations regarding these concerns were discussed in post-construction stormwater management section of the AUAR.

Numerous streams in the Duluth area are impaired for chloride, and Best Management Practices (BMPs) to reduce the likelihood of additional impacts to Rocky Run or Midway rivers should be implemented. A chloride management plan is mentioned as part of the draft mitigation plan near the end of the AUAR and should be thorough.

Conversion of numerous wetland features to impervious surfaces has great potential to negatively impact aquatic ecological functions including hydrologic stability, pollution, and thermal regimen of adjacent streams, potentially impacting stream suitability for cold-water species like trout. To not adversely impact the small sub-watershed of Rocky Run or the Midway rivers and minimize cumulative impacts of wetland drainage/alterations, if wetland banking credits are pursued, they should be applied to the sub-watershed in which the impact occurred.

Fisheries water usage and discharge concerns appear to be mostly mitigated via plans to utilize municipal water and discharge/treatment facilities, according to “Scenario 1” detailed on page 51. If another scenario exists that would utilize groundwater or discharge to surface waters, it is essential that MNDNR has an opportunity to review and provide additional comments.

Water Appropriation Considerations

Depending on the types of light industrial uses planned for the development, there could be additional environmental review requirements. For example, data centers have different environmental impacts as compared to manufacturing or warehouse facilities. MNDNR encourages the developer to incorporate water reuse systems wherever possible. Especially given the ecological context and proximity to trout streams. Water appropriation needs (50,000 gal/day from the city of Duluth) will require further coordination with MNDNR water appropriation hydrologist, Heidi Lindgren (Heidi.Lindgren@state.mn.us).

Rare Species Concerns

West Rocky Run flows through the project area and into the Midway River. The Midway River has records of rare mussel species near of the proposed project; we recommend use of stringent erosion and sediment control measures, including evaluation and consideration as stormwater management plans are developed, to limit potential negative impacts to rare mussels.

MNDNR encourages submission of Natural Heritage Review requests as individual projects are planned and pursued within the AUAR footprint. Aspects of the development may not occur right away or for long periods of time, and the Natural Heritage Information System (NHIS) is continually updated as new information becomes available.

Please follow the recommendations outlined in your current NHIS letter.

Specific Comments

P. 21: "...portion of the study area along the west boundary that follows a linear feature is located in Zone A, a 100-year floodplain (see Figure 13)". The "linear feature" should be identified as a stream/public watercourse. Additionally, the floodplain is shown in Figure 14 (not Figure 13 as referenced).

P.32: The public watercourse (kittle #: S-002-010-003) drains to a designated trout stream and should be indicated as such.

P. 56: *Sparganium glomeratum* (a watchlist species) is not noted in the document but has been observed in this location. NHIS observations within the development site should be identified. The observation was in a constructed wetland. If this wetland is going to be removed, careful planning should consider ecological function in this sensitive area, habitat for rare species, and ensure that this wetland is not meant as a replacement wetland for a different project.

P. 60: We recommend that the language around preventing new invasive species be stronger and be a requirement, such as utilizing certified weed-free hay/mulch/gravel, and utilizing BMPs for invasive species prevention.

P. 61: With the increase of Emerald Ash Borer (EAB) infestations in the area, we recommend ensuring that Ash is not a tree species utilized in this development, additionally, as part of the development there should be a plan in place to remove any EAB infested ash trees- with proper disposal methods to limit potential spread.

P. 76: DNR permits listed should include both water appropriation and public waters work permit. The water appropriation permit (not public waters work permit as referenced) may be needed for the dewatering. Public waters work permitting may be needed for any activity that results in a change in the course, current, or cross-section of public waters. Several utility extensions were indicated also, a MNDNR license to cross public waters would be required for those through the division of Lands and Minerals.

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Thank you for the opportunity to review the **Hermantown Industrial Alternative Urban Areawide Review (AUAR)**. Please contact me with any additional questions. I can be reached at (218) 328-8826 or via email at: jessica.parson@state.mn.us.

Sincerely,

Jessica Parson
NE Regional Environmental Assessment Ecologist, MN DNR

CC:

Clarissa Spicer

Lisa Joyal

Darrell Schindler

Greg Root

Jessica Parson