



City of Proctor Interstate 35 Commercial Development – Utility Extensions and Upgrades

BONDING BILL PRESENTATION | HF584

WHY ARE WE HERE?

The City of Proctor is seeking **\$3.5 million in state funds to design and construct a \$7 million utility project** that will prepare a currently undeveloped 150-acre parcel along I-35 for mixed use development and renew the failing utilities needed to serve this potential development and the existing users on the south half of Proctor.

CURRENT ISSUES

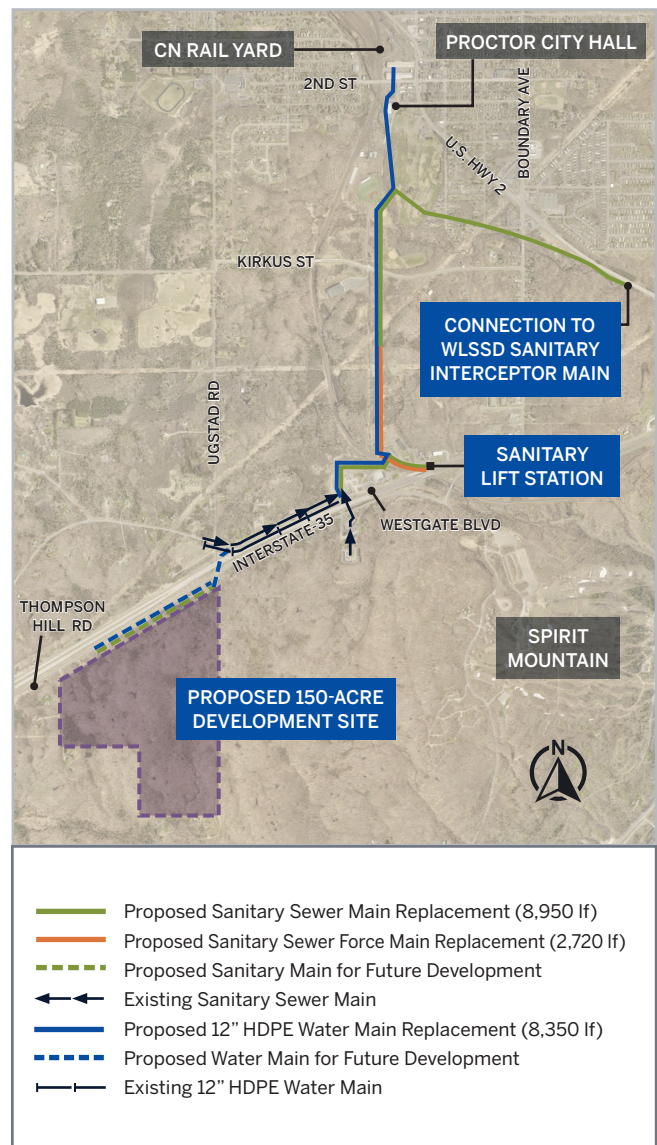
- Extending utilities under I-35 to the 150-acre parcel is cost-prohibitive for developers.
- Existing water and sewer lines are old and in poor/failing condition.
 - Existing utilities are comprised of some of the oldest utility infrastructure within the City and are well beyond their useful life.
 - The existing clay sanitary system has high amounts of inflow and infiltration caused from displaced joints, cracks, and root intrusions.
 - The existing cast iron water system has severe corrosion problems with a history of breaks and leaks. The City has repaired six breaks in the past six years at a large cost and loss of water.
- The City's limited budget restricts development support.
- Severe housing shortage is suppressing regional economic growth.

RENEWED UTILITY & DEVELOPMENT OPPORTUNITIES

- Existing failing sanitary mains will be replaced with new appropriately sized PVC piping to extend the life of the utility and provide for new development increased flows.
- Existing failing water mains will be replaced with new 12-inch HDPE piping to extend the life of the utility and provide for new development demands.
- The 150-acre parcel is zoned for housing, commercial, light industrial, and retail use. There is potential for over 400 residential units and a 25% increase in City population.
- Extended utilities would support growth in Proctor, Duluth, Hermantown, and Cloquet.
- Utility extension feasibility study is complete, and the City is pursuing state and federal funding.

PROJECT SUMMARY

The 150 acres of land to the south of I-35 is ideal for housing, commercial, industrial, and retail use. However, **several development projects have been canceled due to the high cost of extending utilities** to this area. This project aims to support development and extend utilities to areas of town that would support further growth and replace some of the oldest utilities servicing the south half of Proctor.



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