

CITY OF GRAND MARAIS  
MINUTES  
November 8, 2006

Mayor Sandbo called the meeting to order at 4:30 p.m.

Members present: Mark Sandbo, Kay Costello, Bob Spry, Edward Bolstad and Tim Kennedy

Members absent: None

Staff present: Mike Roth, Don Davison, and Kim Dunsmoor

Mayor Sandbo invited the public to speak during a period of open forum. Open Forum is limited to one half-hour. No person may speak more than 5 minutes or more than once. No one spoke.

**Motion by Bolstad, seconded by Kennedy to approve the agenda with the addition of the Christmas Parade Application. Approved unanimously.**

**Motion by Kennedy, seconded by Bolstad to approve the October 25, 2006, Minutes and Payment of Bills. Approved unanimously.**

Bev Wolke, Chamber of Commerce, presented the Christmas Parade Application for November 21, 2006.

**Motion by Bolstad, seconded by Spry to approve the Chamber of Commerce Christmas Parade Permit. Approved unanimously.**

Steve Greisert, Community Partners Research, presented the Cook County Housing Study – an analysis of the overall housing needs of Grand Marais, the Townships in Cook County, and the Grand Portage Reservation. The study found that the population and household trends decreased during the 1980's and increased during the 90's and 2000's with continued growth expected. The average household size has steadily decreased from the 1980's to present of 1.99 persons per household. An average below 2 indicates a significant population of senior citizens. In 2000, 36% of the population was age 65 and older compared to the state-wide average of 20% and 10% of the population was age 25-34 compared to the state-wide average of 18%. Grand Marais and Cook County also have a higher than average percent of renters than the statewide average. The median household income in 2006 is \$43,547. Using the "rule of thumb" standard that a household can afford to purchase a house that is approximately 2.5 times the annual income, a median income household in the City of Grand Marais could afford a home valued at approximately \$83,750 and a median income family could afford a home valued at approximately \$116,400. Twenty-five percent of renters and 22% of homeowners pay more than 30% of their household income for housing which is the commonly accepted standard for defining a housing cost burden. There were 21 arms length existing home sales from October 2005 – September 2006 averaging \$183,000.

This is very high for outstate sales. Between 1990-2000, the County's median home sales price increased by 172.6% while the median household income increased approximately 60% during this same period. Recommendations included focusing on preservation, maintenance and improvement of the housing stock that already exists, develop life cycle housing that provides for all ages and household types, promote new construction, promote home ownership, continued public involvement for new housing developments, prioritize community housing goals and establish a plan. Housing goals recommended include 1) Develop 12-16 market rate rental units, 2) Develop 12-16 market rate senior designated rental units, 3) Develop 12-16 subsidized affordable rental units, 4) Monitor the need for additional senior subsidized rental housing, 5) Develop senior housing with assisted living, light services, and memory care services, 6) Apply for section 8 vouchers, 7) Maintain and preserve the existing supply of subsidized housing, 8) Utilize and promote all programs that assist with home ownership, 9) Utilize purchase/rehabilitation programs, 10) Initiate employer involvement in home ownership programs, 11) Use infill lots for housing development, 12) Develop a 12-16 lot residential subdivision, 13) Develop a 30-36 affordable land trust/market priced subdivision, 14) Promote townhouse and twin home development, 15) Develop home ownership awareness programs, 16) Promote rental housing rehabilitation programs, 17) Promote ongoing owner-occupied housing rehabilitation efforts, 18) Consider application for Minnesota Small Cities Development Program funds, 19) Acquire and demolish dilapidated structures, and 20) Create a plan and develop coordination among housing agencies.

The city received five responses to our Request for Proposals for City Engineering Services. The council will review the responses and potentially select a short list for interviews at an upcoming meeting.

The 1993 street pickup with plow is due for replacement. This pickup is used for a variety of street maintenance purposes, including snowplowing in the winter. We have an equipment replacement schedule for all city vehicles used for budget purposes. Actual replacement decisions are based on equipment condition. This pickup is in need of increased maintenance and is no longer capable of its snowplowing task. We received two quotes. No quotes were received from local dealers. I recommend purchasing the pickup and plow from Luther Eggebrecht Chevrolet.

**Motion by Bolstad, seconded by Kennedy to purchase a 2007 Chevrolet Silverado 3500 Classic 4WD Regular Cab 133"SRW Work Truck with 9'2" Boss V-Plow in the amount of \$26,005.00. Approved unanimously.**

**Motion by Costello, seconded by Bolstad to approve Resolution 2006-22 Asking the Legislature and Governor to place a high priority on a substantial increase in the Regional Public System Basic Support appropriation during the 2007 legislative session and Request that the League of Minnesota Cities join the Minnesota Library Association in lobbying the Legislature for this increase. Approved unanimously.**

**Motion by Bolstad, seconded by Costello to approve the Duluth-Superior Area Community Foundation Grand Marais Public Library Agreement changing the trustor signature from the Library Director to the City Administrator. Approved unanimously.**

Mayor Sandbo's Report:

- 1) Thanked the council for their support.

Councilor Costello's Report:

- 1) The Joint Powers Recreation Committee will meet tomorrow. The tribe cannot participate in the joint powers: however, they would like to participate under a Memorandum of Understanding.

City Administrator Roth's Report:

- 1) Participated in the ARDC Livable Community Walking Tours on Monday.
- 2) Public Utilities newest conservation project is promoting LED Christmas lights that use less electricity and are safer than conventional lights.
- 3) Would like to donate large picture of recreation park from the early 1900's to the Cook County Museum.

**Motion by Kennedy, seconded by Spry to donate the Grand Marais Recreation Area Picture to the Cook County Museum. Approved unanimously.**

**Motion by Kennedy, seconded by Costello to adjourn the meeting. Approved unanimously.**

There being no further business, the meeting adjourned at 5:37 p.m.