

***CITY OF GRAND MARAIS***  
***MINUTES***  
***October 14, 2009***

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

Members present: Tim Kennedy, Kay Costello, Sue Hakes, William Lenz and Jan Sivertson

Members absent: None

Staff present: Mike Roth, Kim Dunsmoor and Chris Hood by teleconference

Mayor Hakes 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 Costello, seconded by Lenz to approve the Agenda; September 30, 2009, Minutes; and Payment of Bills. Approved unanimously.**

Alyssa and Jonathan Hedstrom are requesting a variance from the setback from residentially zoned property to construct an addition to the South and West side of their commercial building located in the H61 district at 303 E 3<sup>rd</sup> Street PID#80-021-1335. There is a 50' setback requirement for commercial uses in this zone from residential zoned property. This commercial property has a dental office in a converted single family house. This parcel is the only commercially zoned parcel on the block. All of the existing building is within the required setback. An earlier variance was granted for an addition on the south side of the building, but those plans have been abandoned and replaced with the existing proposal. A public hearing was held October 7, 2009. The commission received a letter of support and no other public comments were received. The commission found that the project continues the existing use; the grandfathered non-conforming building cannot comply with the existing setbacks; no additions would be allowed without a variance, even though the project encroaches no further towards the residential property; the lot is the only commercially zoned lot on the block; the required setback was adopted after the building was built and the current use established; the existing use has not changed and there are other commercial uses adjacent to the property. The commission recommends approving the variance by a 3-0 vote.

**Motion by Kennedy, seconded by Costello to approve Resolution 2009-11 The Alyssa and Jonathan Hedstrom Variance. Approved unanimously.**

Mayor Hakes sent a letter to the Economic Development Authority requesting information about the marketing plan for the business park. The EDA will hold a special meeting on October 28, 2009, to develop a marketing plan and review RFP's from realtors. The Economic Development Authority will repay the \$100,000 loan from the city after they are reimbursed for the \$140,000 cart path improvement project. The city must refinance the temporary bonds for the business park development.

**Motion by Hakes, seconded by Kennedy to approve Resolution 2009-12 Providing for the Sale of \$1,685,000 General Obligation Improvement Bonds, Series 2009A. Approved unanimously.**

The city council will meet at 4:30 p.m. on November 18, 2009, to consider sealed proposals for and awarding the sale of the bonds.

The council considered the Cairn Sign Maintenance Agreement. The agreement does not have any limitation and could be read to create responsibility for all the cairn signs from Duluth to Grand Portage. The agreement will be sent back to ARDC for revision.

The awning was blown off the liquor store during the wind storm. A quote to replace the awning is \$6,857.50. Our insurance deductible is \$10,000 per occurrence. Council considered looking into other signage, but there is an existing matching awning on the east side of the building.

**Motion by Costello, seconded by Lenz to approve purchasing the awning for the liquor store. Approved unanimously.**

Council discussed the Shoreline sign located at the corner of Hwy 61 and Broadway and directed City Administrator Roth to send a letter to the Shoreline that asks them to make the condition of the sign safe or the matter will be turned over to the city attorney's office.

**Councilor Kennedy's Report:**

- 1) The Public Utilities Commission voted to extend the contract with SMMPA through 2050.

**Councilor Sivertson's Report:**

- 1) The ballots for the 1% sales tax will go out on Friday. The major question that is asked is if the county board is capable of running a telecom. The sales tax group received assurance from the county board and the city council.
- 2) The businesses are asking for a public restroom.
- 3) The new Cook County Events and Visitor's Bureau is planning a Christmas Promotion and would like the city to provide some lights in Harbor Park. Lockport is offering a tree and we will have research the idea.

**Councilor Lenz' Report:**

- 1) The revenue at the pool, marina and park are up from 2008 and the golf course is down from 2008.
- 2) With the larger marina, it is not practical to crane dock sections in and out each season. We propose to use "Kasko" brand flow developers to prevent icing. North House Folk School has been using these deicers by the Hjordis for the last two years with success. The docks will be massed together to minimize the area needing flow development. We have been advised by Kasko that seven (7) ¾ hp

- units will be need at a cost of \$ 3,010. The five year cost estimates are: crane at \$ 44,080 and Kasco at \$25,405. The big savings is labor in both spring and fall when the park personnel are reduced and much time is required for the marina.
- 3) Changes in campground rates are being considered to increase income without becoming excessive.

Councilor Costello's Report:

- 1) The library is going through the strategic planning process and has scheduled two – six hour retreats.

Mayor Hakes' Report:

- 1) Requests are being made for a community garden space and they are willing to buy it. The Farmer's Market is asking for more room. Maybe there is room for them in the Cedar Grove Business Park.
- 2) Toured the golf course last week and it is beautiful.
- 3) Terry Quinn should be answered in regard to his questions raised at the annexation hearing.

At 6:00 p.m., the meeting was recessed until October 16, 2009, at noon to discuss Build America Bonds. October 15, 2009, we learned that Build America Bonds were not an option to refinance the bond for Cedar Grove Business Park.

There being no further business, the meeting was adjourned.