

CITY OF GRAND MARAIS
WORKSESSION MINUTES
May 14, 2008

Mayor Larsen called the meeting to order at 3:30 p.m.

Members present: Evelyn Larsen, Tim Kennedy, Edward Bolstad and William Lenz

Members absent: Kay Costello

Staff present: Mike Roth and Kim Dunsmoor
Jamie Mehle, S.E.H.

The council discussed special assessments, deferred assessments, and the current special assessment policy.

A deferred assessment is based upon hardship on a case-by-case basis. Deferred assessments are considered if the owner of a homesteaded property is age 65 or older or disabled and meets HUD low-income guidelines including 2% of their assets. The city administrator must receive an application for deferred assessment within 60 days of the council approval of the assessment. The council has the authority to accept or deny deferred special assessment applications.

The current special assessment policy was created in 1998. In order to meet special assessment bonding guidelines, we need to assess at least 20% of the bond. Other city assessment policies were discussed. Duluth assessed streets at 25% for reconstruction, and they are not able to replace streets as needed. Silver Bay has not assessed: however, they haven't done any projects that were not paid by the mine. Council felt that the current assessment policy was appropriate for new construction; however, reconstruction should be treated differently. Council directed staff to bring back a proposal for new vs. reconstruction special assessments using a couple sample houses for review.

There being no further business, the meeting adjourned at 4:24 p.m.