

CITY OF GRAND MARAIS
MINUTES
October 25, 2006

Vice-Mayor Bolstad called the meeting to order at 4:30 p.m.

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

Members absent: Mark Sandbo

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

Vice-Mayor Bolstad 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 Spry to adopt the Agenda; approve October 11, 2006 Minutes; and approve Payment of Bills. Approved unanimously.

Doug McEneaney presented the Marina and Boating Activity Study for the Western End of Lake Superior that was funded by a Quick Start Grant from the Blandin Foundation. The purpose of the study was to collect information regarding recreational boating activity and marina operations on the western end of Lake Superior in order to assist in the evaluation of a proposed harbor or marina developments in Grand Marais by providing current information about the volume, trends and nature of recreational boating on the lake. The last available informational studies were done in 1977 and 1984. The level of regional boating activity appears to be stable with about 20 additional boats per year. The next steps recommended by Doug McEneaney would be to conduct a survey of boater attitudes and perceptions, develop a business/financial plan, and monitor regional trends using marina vacancy rates.

Jerry Shannon, Ehlers and Associates Inc., presented the Pre-Sale Report for the proposed financing for the Cedar Ridge Business Park Project. The proposed issue would be \$1,630,000 General Obligation Temporary Improvement Bonds that would be supported entirely by special assessments and mature in 3 years. It is anticipated that a minimum of 26 lots will need to be sold by June 1, 2009, in order to retire this issue. To the extent that insufficient revenue is available by November 2009, the City may issue another temporary bond to mature within 3 years from the date of that issue. Currently, the EDA has approximately 26 site reservation agreements.

Motion by Kennedy, seconded by Spry to approve Resolution 2006-21 Providing for the Sale of \$1,630,000 General Obligation Temporary Improvement Bonds, Series 2007. Approved unanimously.

Northern Communities Land Trust has requested TIF funding for the proposed housing development with the Economic Development Authority. Jerry Shannon provided

general information about Tax Increment Financing (TIF). Currently, there is not enough information available to make any recommendations to the city.

Motion by Spry, seconded by Costello to approve the Second Reading of Ordinance 2006-03 Amending Grand Marais Zoning Ordinance Regarding Deck Regulations. Approved unanimously.

Motion by Kennedy, seconded by Spry to approve Resolution 2006-20 Authorizing the Execution of a Minnesota Department of Natural Resources Trail Assistance Program Ski Grant Agreement for \$6,000. Approved unanimously.

Councilor Kennedy's Report:

- 1) The Economic Development Authority awarded the infrastructure bid to KLM Contractors and hope that some of the work will be done this fall. The EDA also awarded the professional building bid to Isak Hansen Inc. The professional building will house an optometrist, Higher Education, a gift shop and 800 square feel area is still available for lease or purchase.
- 2) We need to move the annexation along for the affordable housing project.

City Administrator Roth's Report:

- 1) Thanks to all who participated in the Visioning Project. The public process has been completed. Community Growth Institute did a great job.
- 2) Attended the Pool Committee Meeting with Burbach Aquatics. A ten-year improvement was estimated to cost \$2 million.

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

There being no further business, the meeting adjourned at 5:32 p.m.