AGENDA
CITY COUNCIL MEETING
January 11, 2017
6:30 P.M.

A. 6:30 Call to Order

B. Roll Call

C. Open Forum

The public is invited to speak at this time. Open Forum is limited to one half-hour. No person may speak more than five (5) minutes or more than once. Each subject will have a limit of ten (10) minutes. Council members may ask questions of the speaker. With the agreement of the Council, such matters taken up during the open forum may be scheduled on the current agenda or a future agenda.

D. 6:35 Approve Consent Agenda

1. Approve Agenda
2. Approve Meeting Minutes
3. Approve Payment of Bills

E. 6:40 Planning Commission Report

Resolution 2017-01 47N 90W Enterprises, LLC Conditional Use Permit

Resolution 2017-02 Halvorsen Variance

Ordinance 2017-01 An amendment to the zoning ordinance regarding limiting the maximum square footage of allowed retail developments in the CI Service Commercial Industrial zone and adding necessary definitions, 1st Reading

F. 7:00 Carbon Fee and Dividend Follow-up--Wilkes

G. 7:30 Appointments to Boards and Commissions

H. 7:40 Select Acting Mayor

I. 7:45 Designate Official Newspaper

J. 7:45 Designate Depositories of City Funds

K. 7:45 Other items as necessary

L. 7:50 Council & Staff Reports

M. Attached correspondence:

1. Other Meeting Minutes
2. Upcoming Meeting Schedule

N. 8:15 Adjourn

CITY OF GRAND MARAIS
MINUTES
December 28, 2016

Mayor Arrowsmith-DeCoux called the meeting to order at 6:30 p.m.
Members present: Jay Arrowsmith-DeCoux, Tracy Benson and Anton Moody
Members absent: Dave Mills and Tim Kennedy
Staff present: Kim Dunsmoor

Motion by Moody, seconded by Benson to approve the Agenda; December 14, 2016, Minutes; and Payment of Bills. Approved unanimously.

Motion by Moody, seconded by Benson to approve Resolution 2016-15 Approving Final 2016 Tax Levy, Collectible in 2017. Approved unanimously.

The total levy amount is $909,993.88 which is a 4.37% increase over last year.

Motion by Moody, seconded by Arrowsmith-DeCoux to approve a 2% wage increase for non-union supervisors in 2017 and require annual performance reviews for all employees. Approved unanimously.

The union employees received a 2% increase for 2017. Council stipulated that all employees should have an annual performance review of goals and objectives that will help employees know what they are doing well and where there are opportunities for growth.

Motion by Moody, seconded by Benson to approve the Second Reading of Ordinance 2016-04 An Ordinance of the City of Grand Marais, Minnesota, Amending Grand Marais Zoning Clarifying Rules Regarding Nonconformities. Approved unanimously.

This ordinance shall take effect after its publication.

Mayor Arrowsmith-DeCoux's Report:

1) Active Living is discussing a model for assisting in directing policy making to be more effective. It is called Health and Equity in All Policies (HEAP). He will forward documents to City Administrator Roth for distribution to the council.
2) CCLEP will continue REEP funding out of their general fund balance, are interested in helping the city with energy efficiencies for the public works facility and will host a builder's workshop in February.
3) Attended the Walkable Communities presentation by Jay Walljasper who helped brainstorm biking infrastructure of Grand Marais including benches on corners halfway up the hill.
4) The Community Visioning process is getting good survey responses. The survey will be open until the steering committee feels that we have accomplished the 1st phase.

There being no further business, the meeting adjourned at 6:52 p.m.

CITY OF GRAND MARAIS

Payments

Current Period: January 2017

Batch Name	011217 CAP Payments	User Dollar Amt	$389,052.60
		Computer Dollar Amt	$389,052.60
			$0.00 **In Balance**

Refer	69323 *BOND TRUST SERVICES CORPOR*				
Cash Payment	E 301-47029-601 Debt Srv Bond Principal	2017			$65,000.00
Invoice 32698	12/14/2016				
Cash Payment	E 301-47029-611 Bond Interest	2017			$28,510.00
Invoice 32698	12/14/2016				
Cash Payment	E 301-47031-601 Debt Srv Bond Principal	2017			$240,000.00
Invoice 32699	12/14/2016				
Cash Payment	E 301-47031-611 Bond Interest	2017			$40,170.00
Invoice 32699	12/14/2016				
Cash Payment	E 301-47031-620 Fiscal Agent s Fees	2017			$450.00
Invoice 33656	12/14/2016				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$374,130.00
Refer	69325 *COMO OIL & PROPANE*				
Cash Payment	E 101-41940-217 Heating Fuel	2016			$577.25
Invoice 30261	12/29/2016				
Cash Payment	E 101-43100-217 Heating Fuel	2016			$278.48
Invoice 30324	12/23/2016				
Cash Payment	E 101-41940-217 Heating Fuel	2016			$613.91
Invoice I018779	12/16/2016				
Cash Payment	E 211-45500-217 Heating Fuel	2016			$203.47
Invoice 26229	12/6/2016				
Cash Payment	E 211-45500-217 Heating Fuel	2016			$208.31
Invoice 31019	12/30/2016				
Cash Payment	E 101-43100-217 Heating Fuel	2016			$84.42
Invoice 30342	12/30/2016				
Cash Payment	E 101-43100-220 Repair/Maint Supply (GE	2016			$463.84
Invoice I019308	12/30/2016				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$2,429.68
Refer	69327 *AMERIPRIDE LINEN AND APPARE*				
Cash Payment	E 101-41940-210 Operating Supplies (GE	2016			$135.41
Invoice 3501006809	12/26/2016				
Cash Payment	E 211-45500-310 Service Agreements	2017			$50.91
Invoice 3501009825	1/2/2017				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$186.32
Refer	69328 *BUCK S HARDWARE HANK*				
Cash Payment	E 211-45500-200 Office Supplies (GENER	2016			$26.98
Invoice Acct 1140	12/7/2016				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$26.98
Refer	69329 *MINNESOTA DEPARTMENT OF HE*				
Cash Payment	E 101-45125-439 Licenses	Gunflint Hills Golf Course			$470.00
Invoice 2017 License	1/1/2017				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$470.00
Refer	69330 *PUBLIC UTILITIES COMMISSION1*	Ck# 003686E 1/26/2017			

CITY OF GRAND MARAIS

Payments

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Cash Payment	E 101-41940-380 Utility Services (GENER	2016			$1,350.43
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-43100-380 Utility Services (GENER	2016			$27.48
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-45100-380 Utility Services (GENER	2016			$950.24
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-43100-380 Utility Services (GENER	2016			$2,347.38
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-42700-380 Utility Services (GENER	2016			$162.74
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-42200-382 Fire Hydrant Utilities	2016			$1,103.70
Invoice Dec 2016	1/1/2017				
Cash Payment	E 211-45500-380 Utility Services (GENER	2016			$594.84
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-45184-380 Utility Services (GENER	2016			$383.70
Invoice Dec 2016	1/1/2017				
Cash Payment	E 101-42200-380 Utility Services (GENER	2016			$136.03
Invoice Dec 2016	1/1/2017				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$7,056.54
Refer	69331 *NINAWORKS!*				
Cash Payment	E 101-45100-340 Advertising	2017			$800.00
Invoice 170130	12/21/2016				
Cash Payment	E 101-45184-340 Advertising	2017			$100.00
Invoice 170130	12/21/2016				
Cash Payment	E 101-45125-340 Advertising	2017			$100.00
Invoice 170130	12/21/2016				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$1,000.00
Refer	69332 *NORTH SHORE WASTE*				
Cash Payment	E 101-45100-384 Refuse/Garbage Dispos	2016			$1,638.00
Invoice 55729	12/31/2016				
Cash Payment	E 101-43100-384 Refuse/Garbage Dispos	2016			$526.50
Invoice 55740	12/31/2016				
Cash Payment	E 101-41940-384 Refuse/Garbage Dispos	2016			$134.55
Invoice 55720	12/31/2016				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$2,299.05
Refer	69333 *DENNY S LAWN AND GARDEN*				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	2016			$52.71
Invoice 236638	12/15/2016				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$52.71
Refer	69334 *ARROWHEAD COOPERATIVE*	Ck# 003687E 1/20/2017			
Cash Payment	E 101-45125-321 Telephone	2017			$73.02
Invoice 1234	1/1/2017				
Cash Payment	E 101-45100-321 Telephone	2017			$204.52
Invoice 2131	1/1/2017				
Transaction Date	1/4/2017	MAIN CHECKING G	10100	**Total**	$277.54
Refer	69335 *US POSTMASTER*				
Cash Payment	E 211-45500-322 Postage				$47.00
Invoice 100 Stamps	1/5/2017				

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Payments

Current Period: January 2017

Transaction Date	1/5/2017	MAIN CHECKING G	10100	**Total**	$47.00
Refer	69336 *DALCO*				
Cash Payment	E 211-45500-200 Office Supplies (GENER	2016			$490.46
Invoice 3111879	12/14/2016				
Transaction Date	1/5/2017	MAIN CHECKING G	10100	**Total**	$490.46
Refer	69337 *BAKER & TAYLOR*				
Cash Payment	E 211-45500-435 Books, Periodicals	2016			$95.13
Invoice 2032511091	12/12/2016				
Cash Payment	E 211-45500-435 Books, Periodicals	2016			$55.32
Invoice 2032539223	12/23/2016				
Transaction Date	1/5/2017	MAIN CHECKING G	10100	**Total**	$150.45
Refer	69340 *FRED KELLER*				
Cash Payment	E 211-45500-437 Audio Visual / DVD				$30.00
Invoice 2017	1/1/2017				
Transaction Date	1/6/2017	MAIN CHECKING G	10100	**Total**	$30.00
Refer	69341 *COOK COUNTY HOME CENTER*				
Cash Payment	E 101-42200-220 Repair/Maint Supply (GE	9088-FIRE			$0.48
Invoice 234816	12/14/2016				
Cash Payment	E 101-42200-220 Repair/Maint Supply (GE	3125-STREET			$3.49
Invoice 234848	12/15/2016				
Cash Payment	E 101-45125-221 Equipment Parts/Builing	9088-GOLF			-$7.33
Invoice Credit Balance	11/30/2016				
Cash Payment	E 101-45125-221 Equipment Parts/Builing	9088-GOLF			$46.98
Invoice 234616	12/7/2016				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	1712- REC PARK			$24.57
Invoice 234627	12/7/2016				
Transaction Date	1/6/2017	MAIN CHECKING G	10100	**Total**	$68.19
Refer	69342 *G&G SEPTIC*				
Cash Payment	E 101-43100-418 Portable Toilet Rentals	2016			$48.25
Invoice 12845	12/29/2016				
Cash Payment	E 101-45100-418 Portable Toilet Rentals	FINANCE CHARGE			$2.06
Invoice 142	12/31/2016				
Cash Payment	E 101-45100-418 Portable Toilet Rentals				$96.50
Invoice 12846	12/29/2016				
Transaction Date	1/6/2017	MAIN CHECKING G	10100	**Total**	$146.81
Refer	69343 *GRAND MARAIS AUTO PARTS, INC*				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712			$4.63
Invoice 703195	11/28/2016				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712			$55.73
Invoice 704028	12/13/2016				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712			$21.01
Invoice 703972	12/12/2016				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712			$17.51
Invoice 703938	12/12/2016				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712			$13.24
Invoice 703733	12/7/2016				

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Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712		$29.85
Invoice 703402	12/1/2016			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712		$11.84
Invoice 703338	11/30/2016			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712		$6.44
Invoice 703329	11/30/2016			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE	ACCT 1712		$12.37
Invoice 703164	11/28/2016			
Transaction Date	1/6/2017	MAIN CHECKING G 10100	**Total**	$172.62
Refer	69344 *JACKSON S MOTOR VEHICLE*			
Cash Payment	E 101-42200-439 Licenses	1GNFK16K2PJ309886		$18.25
Invoice First Responder	1/6/2017			
Transaction Date	1/6/2017	MAIN CHECKING G 10100	**Total**	$18.25

Fund Summary

	10100 MAIN CHECKING GMSB
101 GENERAL FUND	$13,120.18
211 LIBRARY	$1,802.42
301 DEBT SERVICE FUND	$374,130.00
	$389,052.60

Pre-Written Checks	$7,334.08
Checks to be Generated by the Computer	$381,718.52
Total	$389,052.60

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Payments

City of Grand Marais

Current Period: January 2017

Batch Name 010617 CPAP Payment Computer Dollar Amt $54,872.12 **Posted**

Refer	69294 *FLEET ONE LLC*	Ck# 075442 1/6/2017			
Cash Payment	E 101-43100-212 Motor Fuels				$113.41
Invoice 4452920064	12/31/2016				
Cash Payment	E 101-45100-212 Motor Fuels				$32.41
Invoice 4452920064	12/31/2016				
Cash Payment	E 101-45100-212 Motor Fuels				$95.83
Invoice 4452890064	12/31/2016				
Cash Payment	E 101-43100-212 Motor Fuels				$535.22
Invoice 4452890064	12/31/2016				
Cash Payment	E 101-42200-212 Motor Fuels				$86.93
Invoice 4453160064	12/31/2016				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	**Total**	$863.80
Refer	69295 *JOHNSON BROTHER LIQUOR*	Ck# 075443 1/6/2017			
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$25.50
Invoice 587473	8/12/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$0.63
Invoice 587473	8/12/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$166.19
Invoice 587472	8/12/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$2.51
Invoice 587472	8/12/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$56.00
Invoice 597730	10/25/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$2.51
Invoice 597730	10/25/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$52.60
Invoice 605278	12/15/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$32.00
Invoice 605632	12/16/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$2.51
Invoice 605632	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$166.19
Invoice 605628	12/16/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$2.51
Invoice 605628	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$7.58
Invoice 605631	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$14.68
Invoice 605629	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$16.29
Invoice 605630	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$16.08
Invoice 605627	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			$1,229.05
Invoice 5621402	12/28/2016				

Cash Payment	E 609-49750-333 Freight and Express	2016			$40.16
Invoice 5621402	12/28/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			$5,367.06
Invoice 5621403	12/28/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			$172.12
Invoice 5621403	12/28/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$162.75
Invoice 606228	12/20/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$5.02
Invoice 606228	12/20/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2017			$1,211.20
Invoice 5626474	1/4/2017				
Cash Payment	E 609-49750-333 Freight and Express	2017			$47.69
Invoice 5626474	1/4/2017				
Cash Payment	E 609-49750-251 Liquor For Resale	2017			$1,962.29
Invoice 5626475	1/4/2017				
Cash Payment	E 609-49750-333 Freight and Express	2017			$57.73
Invoice 5626475	1/4/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	**Total** $9,355.75
Refer	69296 *PHILLIPS WINE & SPIRITS*		Ck# 075446 1/6/2017		
Cash Payment	E 609-49750-251 Liquor For Resale	2016			$2,872.72
Invoice 2097247	12/28/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			$64.00
Invoice 2097247	12/28/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$41.65
Invoice 253116	12/16/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$105.50
Invoice 252290	12/8/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$2.51
Invoice 252290	12/8/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$100.00
Invoice 253243	12/19/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$5.02
Invoice 253243	12/19/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2016			-$64.25
Invoice 253408	12/20/2016				
Cash Payment	E 609-49750-333 Freight and Express	2016			-$2.51
Invoice 253408	12/20/2016				
Cash Payment	E 609-49750-251 Liquor For Resale	2017			$1,845.94
Invoice 2100524	1/4/2017				
Cash Payment	E 609-49750-333 Freight and Express	2017			$35.14
Invoice 2100524	1/4/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	**Total** $4,496.36
Refer	69297 *WINE MERCHANTS*		Ck# 075453 1/6/2017		
Cash Payment	E 609-49750-333 Freight and Express				-$2.51
Invoice 710914	11/21/2016				
Cash Payment	E 609-49750-251 Liquor For Resale				$199.81
Invoice 7114923	12/28/2016				

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Cash Payment	E 609-49750-333 Freight and Express					$5.02
Invoice 7114923	12/28/2016					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$202.32
Refer	69298 *ARTISAN BEER COMPANY*		Ck# 075439 1/6/2017			
Cash Payment	E 609-49750-252 Beer For Resale		2016			-$8.48
Invoice 369200	12/16/2016					
Cash Payment	E 609-49750-252 Beer For Resale		2016			$67.50
Invoice 3148582	12/28/2016					
Cash Payment	E 609-49750-252 Beer For Resale		2017			$67.50
Invoice 3149937	1/4/2017					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$126.52
Refer	69299 *BERNICKS*		Ck# 075440 1/6/2017			
Cash Payment	E 609-49750-252 Beer For Resale		2016			$2,878.40
Invoice 543525	12/29/2016					
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa		2017			$110.00
Invoice 544465	1/5/2017					
Cash Payment	E 609-49750-252 Beer For Resale		2017			$3,544.85
Invoice 544466	1/5/2017					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$6,533.25
Refer	69300 *ROHLFING INC.*		Ck# 075447 1/6/2017			
Cash Payment	E 609-49750-252 Beer For Resale		2016			$3,251.15
Invoice 436379	12/28/2016					
Cash Payment	E 609-49750-252 Beer For Resale		2017			$4,241.40
Invoice 436626	1/4/2017					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$7,492.55
Refer	69301 *VOYAGEUR BREWING COMPANY*		Ck# 075452 1/6/2017			
Cash Payment	E 609-49750-252 Beer For Resale					$300.00
Invoice 16-52-03	12/28/2016					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$300.00
Refer	69302 *SUPERIOR BEVERAGES LLP*		Ck# 075449 1/6/2017			
Cash Payment	E 609-49750-252 Beer For Resale		2016			$2,679.95
Invoice 772901	12/28/2016					
Cash Payment	E 609-49750-252 Beer For Resale		2017			$1,053.79
Invoice 773276	1/4/2017					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$3,733.74
Refer	69303 *THE AMERICAN BOTTLING COMP*		Ck# 075450 1/6/2017			
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa					$121.05
Invoice 7379472011	12/26/2016					
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G	10100	Total	$121.05
Refer	69304 *SOUTHERN GLAZER S OF MN*		Ck# 075448 1/6/2017			
Cash Payment	E 609-49750-251 Liquor For Resale		2016			$1,832.84
Invoice 1492356	12/28/2016					
Cash Payment	E 609-49750-333 Freight and Express		2016			$47.15
Invoice 1492356	12/28/2016					
Cash Payment	E 609-49750-251 Liquor For Resale		2017			$3,388.65
Invoice 1494845	1/4/2017					

CITY OF GRAND MARAIS

Payments

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Cash Payment	E 609-49750-333 Freight and Express	2017			$59.62
Invoice 1494845	1/4/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	Total	$5,328.26
Refer	69305 *NCPERS GROUP LIFE INS.*	Ck# 075445 1/6/2017			
Cash Payment	G 101-21710 NCPERS-Pera				$16.00
Invoice 4936117	12/22/2016				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	Total	$16.00
Refer	69306 *MN DEPT OF REVENUE-EFTPS*	Ck# 003677E 1/3/2017			
Cash Payment	G 101-21702 State Withholding				$1,255.22
Invoice 1-935-530-304	1/6/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	Total	$1,255.22
Refer	69307 *DEPT OT THE TREASURY IRS*	Ck# 003678E 1/6/2017			
Cash Payment	G 101-21703 FICA Tax Withholding				$3,681.10
Invoice 55122240	1/6/2017				
Cash Payment	G 101-21717 Medicare				$866.26
Invoice 55122240	1/6/2017				
Cash Payment	G 101-21701 Federal Withholding				$2,685.32
Invoice 55122240	1/6/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	Total	$7,232.68
Refer	69308 *PERA*	Ck# 003679E 1/4/2017			
Cash Payment	G 101-21704 PERA				$4,375.41
Invoice SOMPER000402	1/6/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	Total	$4,375.41
Refer	69309 *EMPOWER*	Ck# 003680E 1/4/2017			
Cash Payment	G 101-21720 MN State Retirement DeferC				$495.00
Invoice 649908978	1/6/2017				
Transaction Date	1/3/2017	Due 0	MAIN CHECKING G 10100	Total	$495.00
Refer	69310 *MINNESOTA LIFE*	Ck# 075444 1/6/2017			
Cash Payment	G 101-21716 MN Mutual Life				$164.75
Invoice 0028722	12/22/2016				
Transaction Date	1/4/2017	Due 0	MAIN CHECKING G 10100	Total	$164.75
Refer	69322 *ARROWHEAD COOPERATIVE*	Ck# 075438 1/6/2017			
Cash Payment	E 609-49750-321 Telephone	2016			$93.21
Invoice 985	1/1/2017				
Cash Payment	E 101-41400-321 Telephone	2016			$246.59
Invoice 985	1/1/2017				
Transaction Date	1/4/2017	Due 0	MAIN CHECKING G 10100	Total	$339.80
Refer	69324 *US POSTMASTER*	Ck# 075451 1/6/2017			
Cash Payment	E 101-41400-322 Postage	200 Forever Stamps @ $.47			$94.00
Invoice 200 Stamps	1/4/2017				
Transaction Date	1/4/2017	Due 0	MAIN CHECKING G 10100	Total	$94.00
Refer	69338 *BREAKTHRU BEVERAGE*	Ck# 075441 1/6/2017			
Cash Payment	E 609-49750-251 Liquor For Resale	2017			$2,023.46
Invoice 1080577667	1/4/2017				
Cash Payment	E 609-49750-333 Freight and Express				$22.20
Invoice 1080577667	1/4/2017				

CITY OF GRAND MARAIS

Payments

City of Grand Marais

Current Period: January 2017

Transaction Date	1/6/2017	Due 0	MAIN CHECKING G	10100	**Total**	$2,045.66
Refer	69339 *VOYAGEUR BREWING COMPANY*	Ck# 075452 1/6/2017				
Cash Payment	E 609-49750-252 Beer For Resale	2017				$300.00
Invoice 17-01-03	1/4/2017					
Transaction Date	1/6/2017	Due 0	MAIN CHECKING G	10100	**Total**	$300.00

Fund Summary

	10100 MAIN CHECKING GMSB
609 MUNICIPAL LIQUOR FUND	$40,128.67
101 GENERAL FUND	$14,743.45
	$54,872.12

Pre-Written Checks	$54,872.12
Checks to be Generated by the Computer	$0.00
Total	$54,872.12

City of Grand Marais

MEMO

TO: Mayor Arrowsmith-DeCoux
City Council
FROM: Michael J Roth, City Administrator
DATE: January 6, 2017
SUBJECT: 47N 90W Enterprises LLC Conditional Use Request

Request: 47N 90W Enterprises LLC is requesting a conditional use permit to convert 3 existing apartment units into 4 2-bedroom apartments within an existing structure.

Location of Property: Lot 20, Block 44 Village Plat and Lot 1, Block 1, Harbor Addition of Grand Marais. 204 1st Avenue W.

Condition of Property: This 120'x60' property is zoned R-1 Permanent Residential. There is an existing multi-use building on the property with 5 commercial offices and one apartment on the main floor, and two apartments on the second floor. Neighboring uses include single-family homes, multi-unit residential, and commercial.

Items To Be Considered: In the City of Grand Marais a conditional use permit can be granted only if all of the following apply:

1. The use conforms to the land use or comprehensive plan of the City.
2. The use is compatible with the existing neighborhood.
3. The use will not impede the normal and orderly development and improvement in the surrounding area of uses permitted by right in the zone district.
4. The location and character of the proposed use is considered to be consistent with a desirable pattern of development for the area.

Public Hearing
A public hearing was held January 4, 2017, to consider the proposal. Commissioners, Garry, Greenwood, Kennedy, and Miller were present. Mike Larsen presented the proposal. Two existing apartments on the second floor of the building will be converted to three apartments. Another main floor apartment will remain unchanged. Neighbor Tod Sylvester asked about off street parking and expressed his concern about the use of the apartments as vacation rentals.

Commission Discussion and Findings:
The Commission discussed the proposal. They noted that the ordinance requires 1.5 parking spaces per apartment, and also noted the existing on-street parking demand for the commercial uses on the main floor. They supported the creation of additional residential rental units in the community. They confirmed that vacation rentals are not being proposed and would not be allowed. They adopted the following findings:

1. The use conforms to the land use or comprehensive plan of the City.
   Multi-unit residential is an allowed conditional use.

2. The use is compatible with the existing neighborhood.
   The property is currently operated as an apartment in compatibility with the neighborhood.

3. The use will not impede the normal and orderly development and improvement in the surrounding area of uses permitted by right in the zone district.
   The change in use will not alter the building envelope.

4. The location and character of the proposed use is considered to be consistent with a desirable pattern of development for the area.
   Additional rental units are desirable in the R-1 zone.

The commission recommends approving the conditional use permit by a 4-0 vote with the added condition that the site provide six off-street parking spaces as required by the ordinance.

Relevant Zoning Purpose Statement:

19.04 R-1 PERMANENT RESIDENCE DISTRICT

Subdivision 1. Purpose

The R-1 Permanent Residence District is intended to provide a healthy, safe and attractive residential environment, protect property values and the environment and provide a mix of residential options, both seasonal and year around.

Relevant Comprehensive Plan Section:

GOALS AND POLICIES

Goal

To create a framework for public and private decision making affecting the City of Grand Marais that:

1. Protects and enhances the natural resources of Grand Marais.
2. Provide economic opportunity for residents.
3. Respect the needs and desires of residents.
4. Provide for a full mix of land uses without adverse impact.
5. Recognizes the recreational and aesthetic value of the area to residents and visitors.
6. Ensures consistency of actions.

RESIDENTIAL AREAS

Goals

1. To provide a healthy, safe and attractive residential environment.

2. To protect property values and the natural environment through the harmonious relationship of land use, highways and natural features.

3. To provide a mix of residential options both seasonal and year round, and for all income levels.

Policies

1. Develop low income housing.

3. Develop affordable housing to draw young families to the area.

5. Develop affordable housing for summer help (possibly a complex).

7. Require off street parking for all new homes and Bed and Breakfast homes.

10. Low intensity residential and recreational uses are preferred.

14. Infill of existing residential areas should be encouraged before expansion of new residential areas.

CITY OF GRAND MARAIS, MINNESOTA
CITY COUNCIL RESOLUTION 2017-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND MARAIS, MINNESOTA APPROVING THE 47N 90W ENTERPRISES, LLC REQUEST FOR A CONDITIONAL USE PERMIT TO DEVELOP A 4 UNIT APRTMENT

WHEREAS, the applicant, 47N 90W Enterprises, LLC, is requesting a conditional use permit to develop a four unit apartment on its property zoned R-1 Permanent Residential legally described on the attached Exhibit A; and,

WHEREAS, the Planning Commission conducted a public hearing on January 4, 2017, and received public testimony regarding the proposed Conditional Use Permit; and

WHEREAS, all required notices regarding the public hearing were properly made; and

WHEREAS, the Planning Commission has reviewed the request and recommended approval of the Conditional Use Permit; and

WHEREAS, the City Council reviewed the requested Conditional Use Permit and Planning Commission recommendation and conditions for the requested Conditional Use Permit at its meeting of January 11, 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND MARAIS, MINNESOTA, that it adopts the following findings of fact related to the requested Conditional Use Permit:

Criteria #1 **The use conforms to the land use or comprehensive plan of the City.**

Finding #1 Multi-unit residential is an allowed conditional use.

Criteria #2 **The use is compatible with the existing neighborhood.**

Finding #2 The property is currently operated as an apartment in compatibility with the neighborhood.

Criteria #3 **The use will not impede the normal and orderly development and improvement in the surrounding area of uses permitted by right in the zone district.**

Finding #3 The change in use will not alter the building envelope.

Criteria #4 **The location and character of the proposed use is considered to be consistent with a desirable pattern of development for the area.**

EXHIBIT A

Legal Description

Lot 20, Block 44 Village Plat, and Lot 1, Block 1, Harbor Addition.

MIKE LARSON
218-370-1536

Bl. 200.00

City of Grand Marais

City of Grand Marais

Application for Conditional Use Permit

Name of Applicant:	47N 90 W ENTERPRISES, LLC (STEVE SUGBAUGH/MIKE LARSON)
Mailing Address:	P.O. BOX 148 LUTSEN, MN. 55612
Property Address:	204 1ST AVE W, GRAND MARAIS (NORSHOR / SPRY BUILDING)
Legal Description:	LOT 20 BLOCK 44 & LOT 1 BLOCK 1 HARBOR ADDITION PIO 80-144-0200

Applicant is: ☐ Owner ☒ Buyer ☐ Agent ☐ Other (explain)

Current use of property:	COMMERCIAL TENANTS MAIN LEVEL APARTMENTS SECOND LEVEL
Intended use of property:	PLEASE SEE ATTACHED ARCHITECTS RENOVATION PROJECT OVERVIEW.
Use and Character of surrounding property:	
Brief summary of why a conditional use permit is required:	PROPERTY UPGRADES & IMPROVEMENTS. NO CHANGE TO FOOT PRINT OF BUILDING OR ANY NEW ADDITIONAL SPACE ADDED

A conditional use permit may be granted only upon findings of all of the following criteria. Summarize the facts as to your property in regards to each of the factors, using additional sheets as necessary.

1. Facts showing the use conforms to the land use or comprehensive plan of the City:

   APARTMENTS IS AN ALLOWED USE WITHIN THE ZONE DISTRICT BY CONDITIONAL USE PERMIT

2. Facts showing the use is compatible with the existing neighborhood:

APARTMENTS ARE COMPATIBLE WITH THE EXISTING NEIGHBORHOOD & RESIDENTIAL DISTRICT WHICH INCLUDES ONE & TWO FAMILY ATTACHED DWELLINGS & A MIX OF RESIDENTIAL OPTIONS, BOTH SEASONAL & YEAR ROUND.

3. Facts showing the use will not impede the normal and orderly development and improvement in the surrounding area of uses permitted by right in the zone district:

THE USE IS CONSISTENT WITHIN THE R1 DISTRICT & WILL NOT IMPEDE WITH THE NORMAL ACTIVITY WITHIN THIS DISTRICT. MATTER-OF-FACT, THERE ARE NO CHANGES TO USE AND/OR ACTIVITY THAT HAS NOT OTHERWISE OCCURRED OVER THE LAST DECADE OR MORE OTHER THAN MAKING PROPERTY IMPROVEMENTS AS DESCRIBED ON THE ATTACHED OVERVIEW REPORT

4. Facts showing the location and character of the proposed use is considered to be consistent with a desirable pattern of development for the area:

THE USE OF APARTMENTS IS COMPATIBLE WITH THE EXISTING NEIGHBORHOOD.

Dated:	Applicant(s) signature(s): BY. MICHAEL C. LARSON
02 DEC 2016	& STEPHEN SURBAUGH.
	Owner (if other than applicant)
	Owner (if other than applicant)

This application will be processed only if it is fully completed and is accompanied by a site sketch and the proper fees.

(Do Not Write Below This Line)

This foregoing conditional use permit application, accompanied by a fee of $_____, was received and determined to be complete this _____ day of _____, _____

On Behalf of the City of Grand Marais

jka

john k. abbott, architect

Norshor Building Renovation Project Overview:

Current Building

Main (Street) Level
- 5 Commercial Office Spaces
- 1 Efficiency Apartment
- 2 Public Lavatories
- 2 Car heated garage
- Storage shed
- Onsite parking

Upper Level
- Owners Suite: 1 bedroom, Master Bath, 2- Powder Rooms
- 1 Bedroom / 1 Bath Apartment over Garage
- Shared Laundry Room

Lower Level
- Storage & Mechanical

Assessment

- Hodgepodge arrangement of interior spaces
- Current spaces do not have views to lake
- Complicated & Multiple Entries
- Inefficient space use: Master Suite, Garage Apartment, Bathrooms, Multiple Entry points, Laundry Room
- Security: Living Units have multiple entry points / doors
- Outdated Interior Decor
- Exterior Brick Facade in need of repair
- Main Level Efficiency Apartment lacks private bath and egress window
- Roof Leaking at 3-season porch into corner office space below
- No safety guardrail on roof terrace

Design Criteria

Upper Level:
- Convert Current Owners Suite into 2- 2 Bedroom / 1 Bath Residential Units
- Convert Current 1 Bedroom Unit above Garage into a 2 Bedroom / 1 Bath Apartment
- Update Kitchens & Bathrooms
- Great Room / Loft type open floor plans
- Capitalize on views to Lake Superior

p.o. box 541 · stillwater, mn 55082 · p. 651.351.0702 · c. 612.961.6974 · f. 651.351.0159 · johnkabbott@comcast.net

jka

john k. abbott, architect

Upper Level Continued:

- Remove dilapidated 3-season porch structure, repair roof and create new private Roof Terraces with code compliant guardrail & views out to Lake Superior and Downtown Grand Marais.

Main Level:

- Efficiency Unit update to include new layout w/Kitchenette, Enclosed Private Bathroom and Larger Window meeting egress code.

Key Improvements

- Update, restore and better utilize an existing historic landmark building in downtown Grand Marias.
- Better use of existing space: Creation of 4 new, updated and code compliant Residential Units better suited to current lifestyle needs. Net gain of 1 complete 2 Bedroom Unit, as well as increasing number of Bedrooms in other 2 upper level units.
- Simplified and more secure Entry Points & Closed Door Laundry Room.
- Safety: Terrace Guardrail, Stairways, appropriate Egress windows and doors.
- Clear organization of spaces.
- Open plan "Loft" type spaces
- Updated interior decor / modernize Kitchens & Bathrooms
- Repair leaking roof at 3- season porch and create new Roof Terraces with views to the lake
- Repair Brick facade
- Better energy and acoustic insulation throughout building

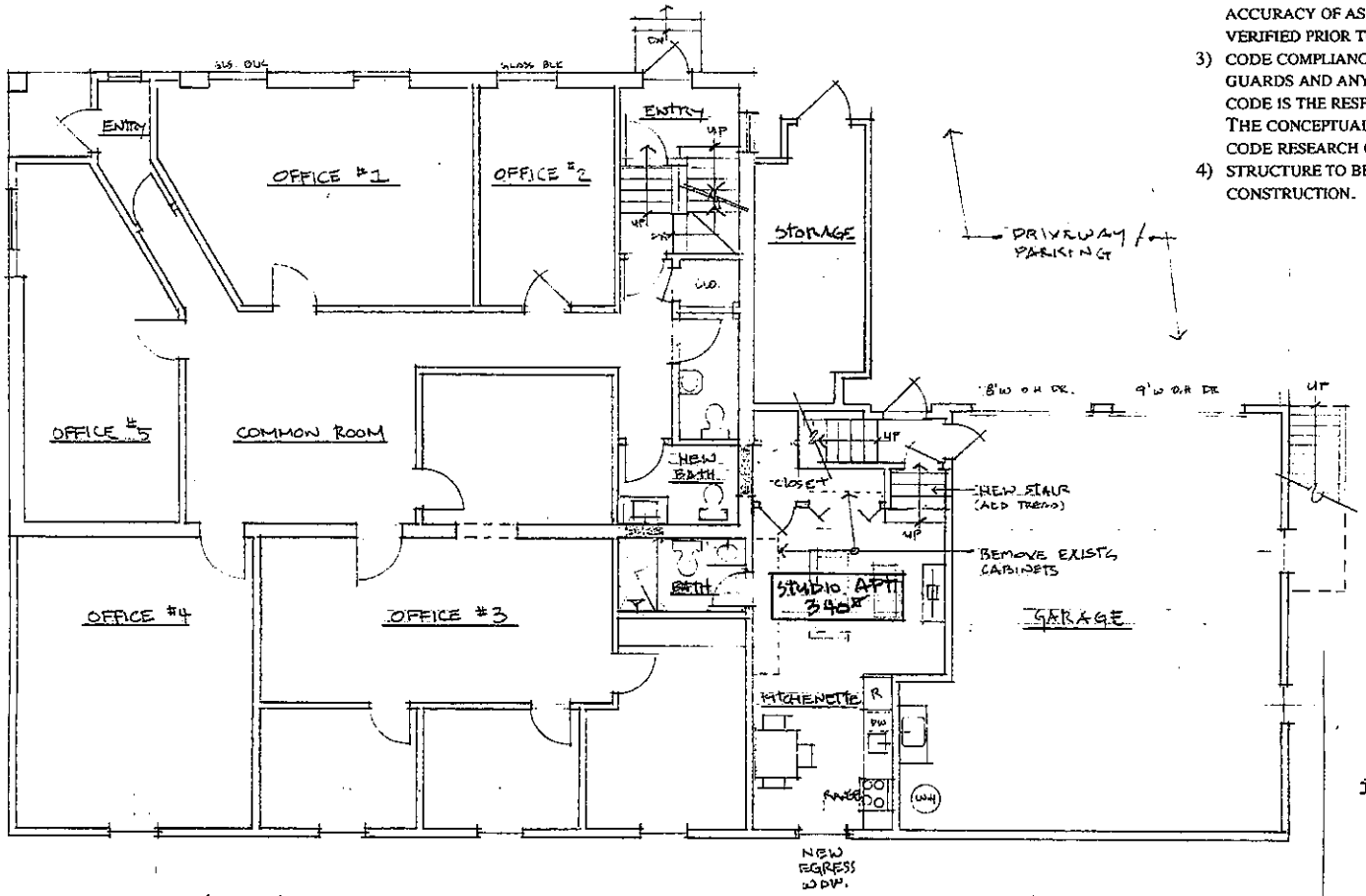
Respectfully Submitted,

John K. Abbott, Architect AIA

p.o. box 541 · stillwater, mn 55082 · p. 651.351.0702 · c. 612.961.6974 · f. 651.351.0159 · johnkabbott@comcast.net

NORSHOR BUILDING CONCEPTUAL DESIGN NOTES:

1) DRAWINGS ARE CONCEPTUAL ONLY AND NOT MEANT FOR CONSTRUCTION.
2) DESIGN IS BASED ON INFORMATION GIVEN. ACCURACY OF AS-BUILT DRAWING TO BE VERIFIED PRIOR TO CONSTRUCTION.
3) CODE COMPLIANCE FOR ACCESSIBILITY, EGRESS, GUARDS AND ANY OTHER RELEVANT BUILDING CODE IS THE RESPONSIBILITY OF THE OWNER. THE CONCEPTUAL DESIGN DOES NOT INCLUDE CODE RESEARCH OR COMPLIANCE.
4) STRUCTURE TO BE VERIFIED PRIOR TO CONSTRUCTION.



EXISTING TO REMAIN

NEW CONSTRUCTION

EXISTING TO BE REMOVED.

* preliminary-not for construction*

MAIN LEVEL FLOOR PLAN - NORSHOR BUILDING

SCALE: 1/8" = 1'-0"

JULY 21, 2016

JULY 25, 2016 REV

jka

john k. abbott
architect, AIA

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c. 612.961.6974
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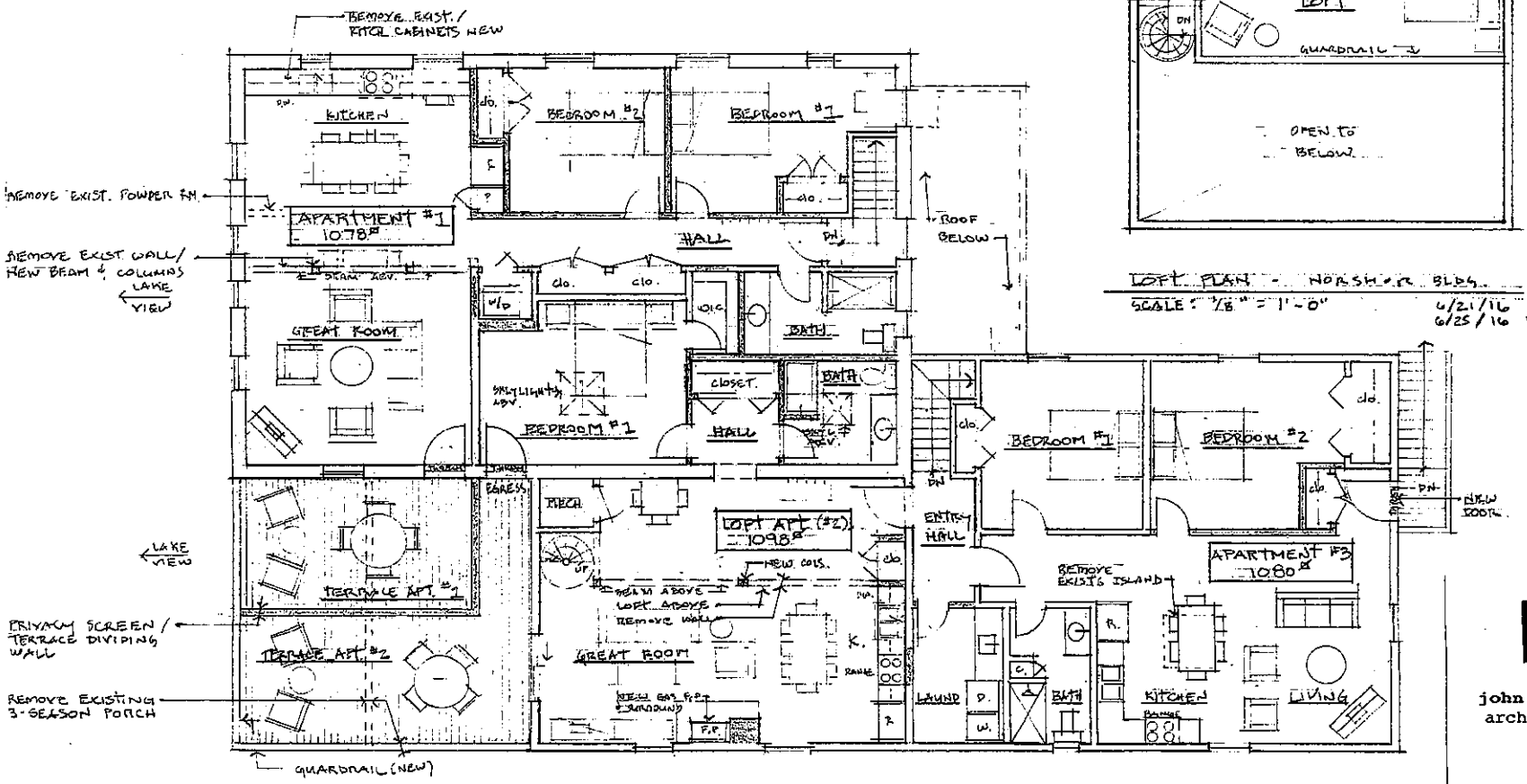

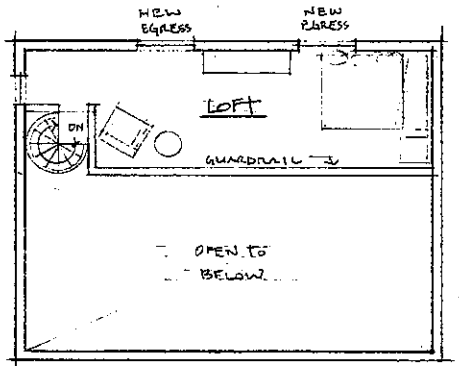

LOFT PLAN - HORSHOR BLDG.
SCALE: 1/8" = 1'-0"
6/21/16
6/25/16 REV.

* preliminary-not for construction*

UPPER LEVEL PLAN - HORSHOR BUILDING - SCHEMATIC RESOLUTION
SCALE: 1/8" = 1'-0"
JULY 21, 2016
JULY 25, 2016 REV.

jka
john k. abbott
architect, AIA

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e. johnkabbott@comcast.net

City of Grand Marais

MEMO

TO:	Mayor Arrowsmith-DeCoux City Council
FROM:	Michael J Roth, City Administrator
DATE:	January 6, 2017
SUBJECT:	John and Evonne Halvorsen Variance Request

Request: John and Evonne Halvorsen are requesting a variance from minimum lot width and area requirements to construct a single family home on a 60' x 128' lot, 15' short of the minimum 75' width and 2,320 sq' short of the minimum 10,000.

Location of Property: Lots 24-25, Block 22, Central Addition. PID 80-322-0240

Condition of Property: This 60'x128' lot is zoned R-1 Permanent Residential. It is currently undeveloped. Neighboring properties include single-family homes.

Public Hearing
A public hearing was held January 4, 2017. Commissioners Garry, Greenwood, Miller, and Kennedy were present. John and Evonne Halvorsen, with Mike Raymond, presented their request. One neighbor asked about plans for tree removal as the recent lot survey showed the property in a location he didn't expect. The Halvorsen's indicated an intent to remove as little trees as possible, and the proposed home will be 15' from the property line, further than the required 10'.

Commission Discussion and Findings:
The commission discussed the request, and noted that the home meets all setback requirements. They support the idea of adding to the housing supply. The Commission adopted the following findings:

1. The variance is in harmony with the purpose and intent of the ordinance.
   Single family homes are the primary allowed use in the R-1 zone.

2. The variance is consistent with the comprehensive plan.
   Infill of existing residential areas is preferred over expansion to new areas.

3. The proposal seeks to use the property in a reasonable manner not permitted by the zoning ordinance.
   The proposed structure will meet all applicable setback and lot coverage requirements.

4. The plight of the landowner is due to circumstances unique to the property not created by the landowner.
   The lot's substandard dimensions were created by others.

5. The variance, if granted, will not alter the essential character of the locality.
   The neighborhood is primarily single family residences.

The commission recommended approving the variance request by a 4-0 vote.

Relevant Zoning Purpose Statement:

19.04 R-1 PERMANENT RESIDENCE DISTRICT

Subdivision 1. Purpose

The R-1 Permanent Residence District is intended to provide a healthy, safe and attractive residential environment, protect property values and the environment and provide a mix of residential options, both seasonal and year around.

Relevant Comprehensive Plan Section:

GOALS AND POLICIES

Goal

To create a framework for public and private decision making affecting the City of Grand Marais that:

1. Protects and enhances the natural resources of Grand Marais.
2. Provide economic opportunity for residents.
3. Respect the needs and desires of residents.
4. Provide for a full mix of land uses without adverse impact.
5. Recognizes the recreational and aesthetic value of the area to residents and visitors.
6. Ensures consistency of actions.

RESIDENTIAL AREAS

Goals

1. To provide a healthy, safe and attractive residential environment.

2. To protect property values and the natural environment through the harmonious relationship of land use, highways and natural features.

Policies

7. Require off street parking for all new homes and Bed and Breakfast homes.

9. Sensitive orientation, spacing, placement and appearance of all new structures will be encouraged to seek compatibility with natural topography and vegetation.

10. Low intensity residential and recreational uses are preferred.

14. Infill of existing residential areas should be encouraged before expansion of new residential areas.

CITY OF GRAND MARAIS, MINNESOTA
CITY COUNCIL RESOLUTION 2017-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND MARAIS, MINNESOTA APPROVING THE REQUEST FOR A VARIANCE FOR JOHN AND EVONNE HALVORSEN TO CONSTRUCT A SINGLE FAMILY HOME ON A SUBSTANDARD LOT

WHEREAS, the applicants, John and Evonne Halvorsen, seek a variance from lot width and area requirements to construct a single family home at their property, zoned R-1; and,

WHEREAS, the subject property is 60' wide, 15' short of the required 75', and is 7,680 square feet, 2,320 short of the required 10,000; and,

WHEREAS, the Planning Commission conducted a public hearing on January 4, 2017, and received public testimony regarding the proposed Variance; and

WHEREAS, all required notices regarding the public hearing were properly made; and

WHEREAS, the Planning Commission has reviewed the request and recommended approval of the Variance: and

WHEREAS, the City Council reviewed the requested Variance and Planning Commission recommendation at its meeting of January 11, 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND MARAIS, MINNESOTA, that it adopts the following findings of fact related to the requested Variance:

Criteria #1 **The variance is in harmony with the purpose and intent of the ordinance.**

Finding #1 Single family homes are the primary allowed use in the R-1 zone.

Criteria #2 **The variance is consistent with the comprehensive plan.**

Finding #2 Infill of existing residential areas is preferred over expansion to new areas.

Criteria #3 **The proposal seeks to use the property in a reasonable manner not permitted by the zoning ordinance.**

Finding #3 The proposed structure will meet all applicable setback and lot coverage requirements.

Criteria #4 **The plight of the landowner is due to circumstances unique to the property not created by the landowner**

Finding #4 The lot's substandard dimensions were created by others.

Criteria #5 **The variance, if granted, will not alter the essential character of the locality**.

Finding #5 The neighborhood is primarily single family residences.

BE IT FURTHER RESOLVED that the Variance to allow John and Evonne Halvorsen to construct a single family home on their 60' wide and 7,680 sq' lot is hereby approved.

Passed by the City Council of the City of Grand Marais, Minnesota this 11th day of January, 2017.

(SEAL)

_____
Mayor Jay Arrowsmith DeCoux

ATTEST:

_____
Michael J. Roth
City Administrator

Exhibit A

LEGAL DESCRIPTION:

Lots 24-25, Block 22, Central Addition.

Rd. 200.00

City of Grand Marais

Application for Variance

Name of Applicant:	JOHN G and EVONNE H HALVORSEN
Mailing Address:	3517 RIDGEWOOD RD, ARDEN HILLS, MN 55112
Property Address:	2xx 8TH AVE W.
Legal Description:	LOT 24 and 25; BLOCK 22; CENTRAL ADDITION TO THE CITY OF GRAND MARAIS, MN

Applicant is: ☐ Owner ☒ Buyer ☐ Agent ☐ Other (explain) #80-322-0240

Current use of property:	VACANT
Intended use of property:	RESIDENCE
Use and Character of surrounding property:	RESIDENTIAL NEIGHBORHOOD
Section of Ordinance from which variance is requested:	60 FOOT LOT WIDTH IS "SUBSTANDARD"; ORDINANCE SPECIFIES 75 FEET
Brief summary of why a variance is required: (For setback variances attach a site map prepared by a qualified plat mapper or surveyor)	AS NOTED ABOVE

A variance may be granted where the strict enforcement of the City zoning controls will result in practical difficulties, determined by each of the following five criteria. Summarize the facts as to your property in regards to each of the five factors, using additional sheets as necessary.

1. Facts showing the variance is in harmony with the purpose and intent of the ordinance:

THE INTENDED HOME WILL MEET ALL SETBACK REQUIREMENTS, AND WILL NOT ENCROACH ON ANY NEIGHBORING PROPERTY

2. Facts showing the variance is consistent with the comprehensive plan:

THIS PROPERTY HAS BEEN PREVIOUSLY APPROVED FOR A HOME SITE FOR THE CURRENT SELLERS. APPROVAL TO BUILD MUST AGAIN BE OBTAINED FROM THE CITY OF GRAND MARAIS BY THE NEW BUYER, SINCE THE LOT IS SUB-STANDARD IN WIDTH. THE PROPOSED HOME WILL MEET ALL SETBACK REQUIREMENTS.

3. Facts showing the proposal seeks to use the property in a reasonable manner not permitted by the zoning ordinance:

THE ACCOMPANYING DIAGRAM DEMONSTRATES THAT THE PROPOSED HOME WILL MEET ALL SETBACK REQUIREMENTS FOR THIS UNDERSIZED LOT.

4. Facts showing the plight of the landowner is due to circumstances unique to the property and not created by the landowner:

SEE ABOVE. THE BOUNDARIES OF THE PROPERTY HAVE NOT BEEN ALTERED BY THE CURRENT SELLER OR BUYER.

5. Facts showing the variance, if granted, will not alter the essential character of the locality:

THE PROPOSED HOME WILL FIT IN WELL AND ADD VALUE TO THIS RESIDENTIAL NEIGHBORHOOD.

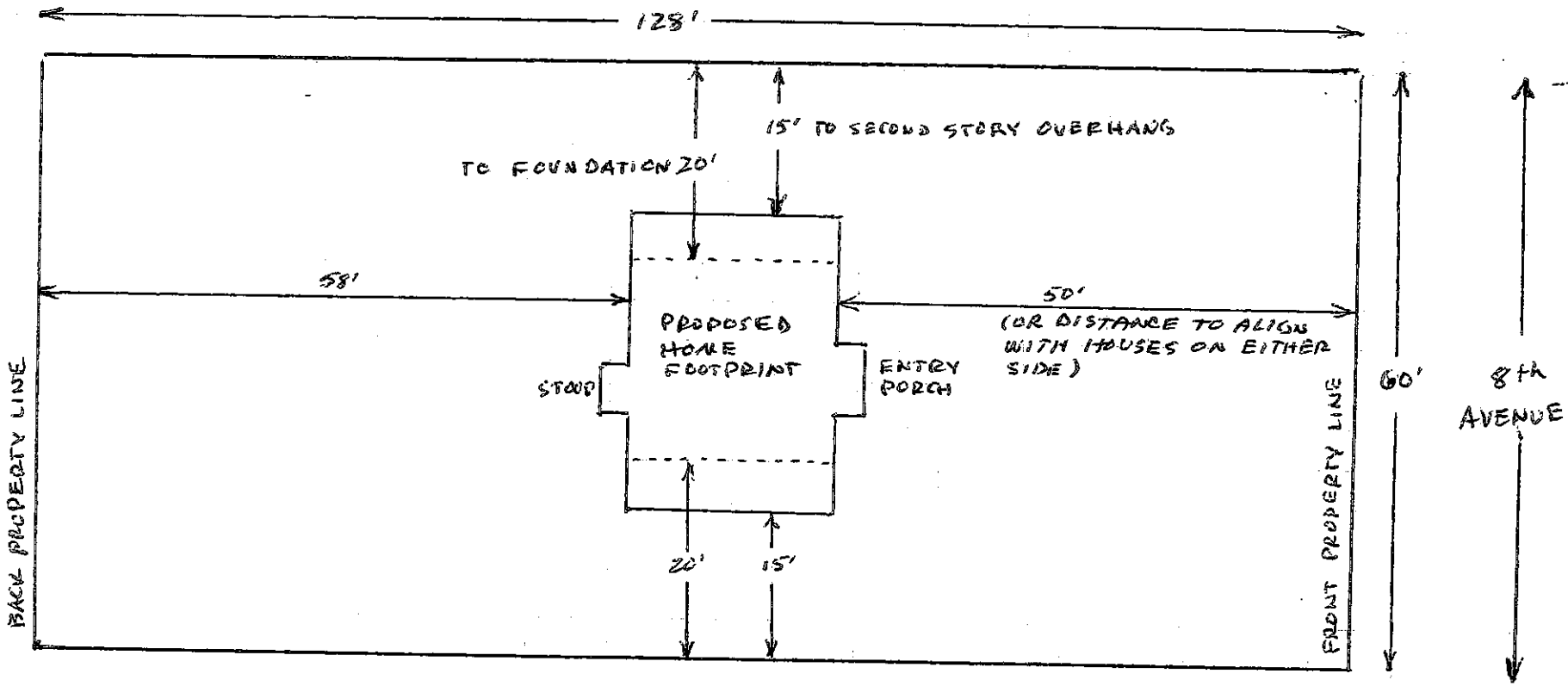
Dated: 12/01/16	Applicant(s) signature(s): John G Halvorsen Evonne H. Halvorsen Owner (if other than applicant) Owner (if other than applicant)

This application will be processed only if it is fully completed and is accompanied by a site sketch and the proper fees.

(Do Not Write Below This Line)

This foregoing variance request application, accompanied by a fee of $_____, was received and determined to be complete this _____ day of _____, _____

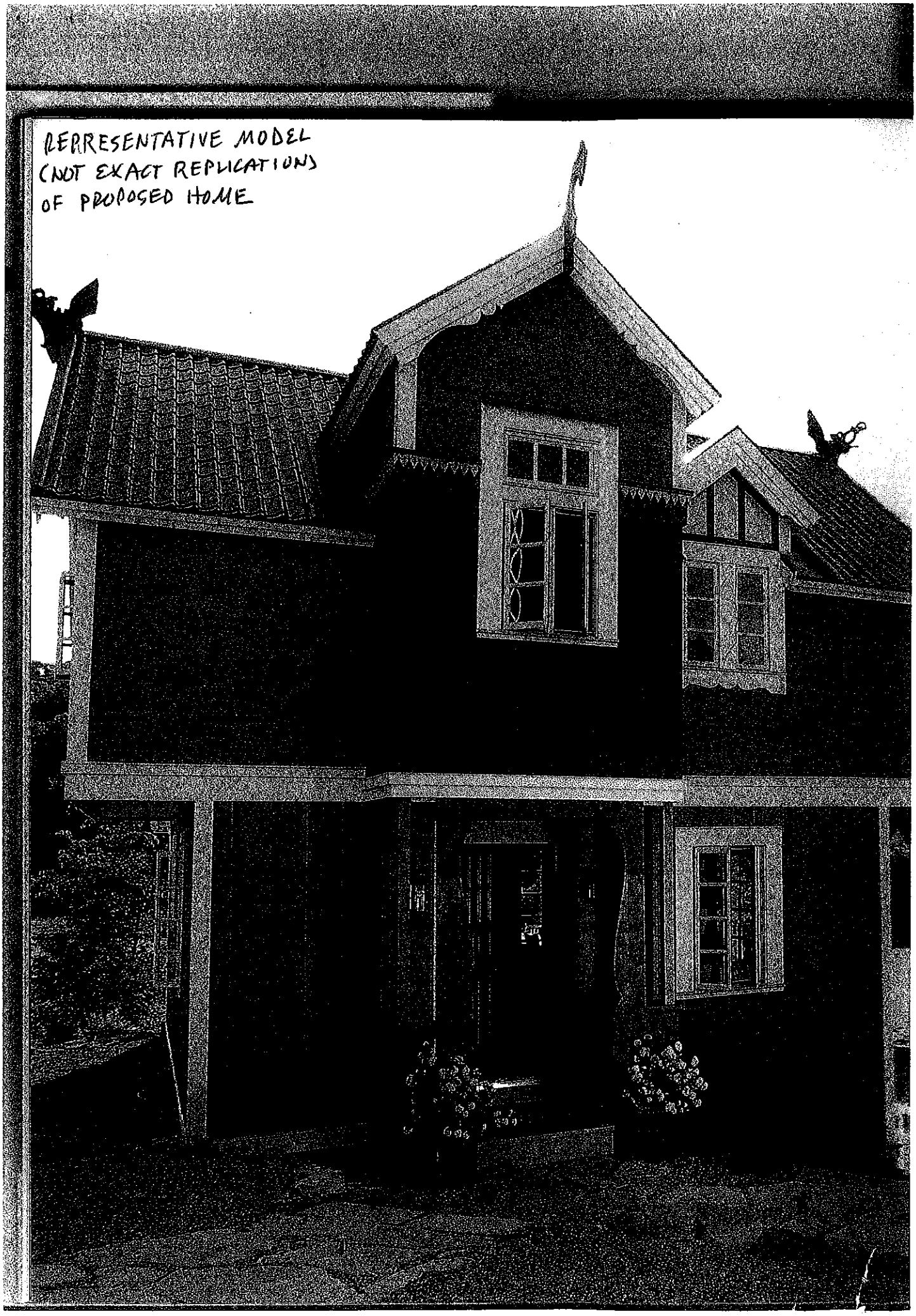
On Behalf of the City of Grand Marais



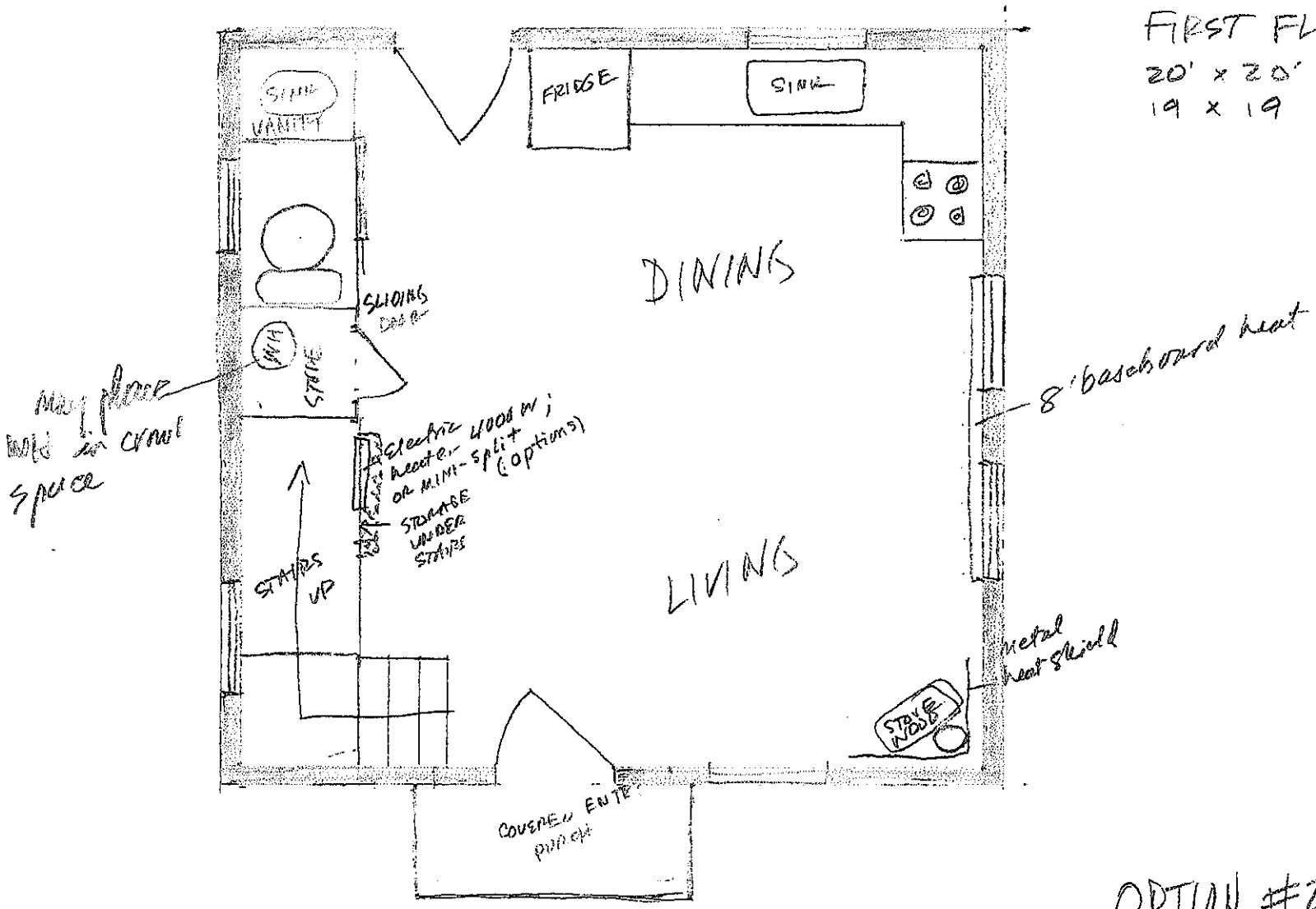
PARCEL: 80-322-0240
LOTS: 24+25; BLOCK 22; CENTRAL ADDITION
TO CITY OF GRAND MARAIS, MN

BUYERS: JOHN and EVONNE HALVORSEN
3517 RIDGEWOOD ROAD
ARDEN HILLS, MN 55112

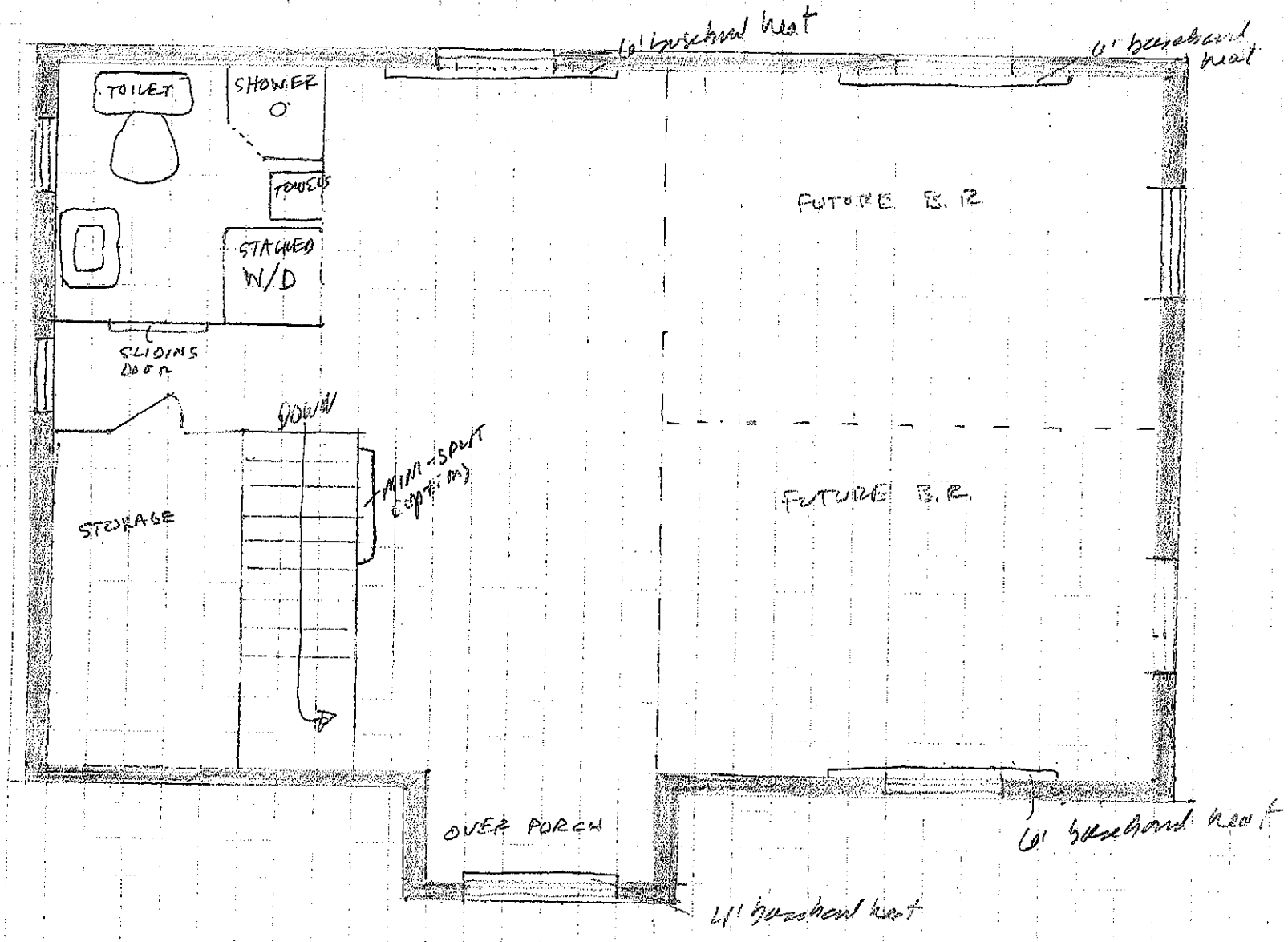
REPRESENTATIVE MODEL
(NOT EXACT REPLICATIONS
OF PROPOSED HOME



FIRST FLOOR
20' x 20' outside
19 x 19 inside



OPTION #2
VISION DRAFT
SWEDISH COTTAGE



SECOND FLOOR
20' X 30' OUTSIDE
19' X 29' INSIDE

City of Grand Marais

MEMO

TO:	Mayor Arrowsmith-DeCoux City Council
FROM:	Michael J Roth, City Administrator
DATE:	January 6, 2017
SUBJECT:	Ordinance 2017-01 Retail Uses in C/I Zone

Summary:
In February 2016 the City Council adopted an ordinance that placed a 12 month moratorium on certain retail uses in the C/I zone to provide time to study the issue and recommend any changes to the zoning ordinance. Since that time the City has embarked on a broad visioning and comprehensive plan update. We had hoped to have certain portions of the visioning project complete in time to update C/I zoning language before the moratorium expired, but this was always a risk. Rather than sacrifice results on the visioning project, we are allowing it to extend to the necessary amount of time.

At your December 14 meeting, you discussed the timeline required to make any changes to the zoning ordinance prior to the expiration of the moratorium. You agreed to set the attached ordinance in process to allow for its possible adoption.

Public Hearing
The commission held a public hearing to consider the ordinance at their meeting on January 4, 2017. Commissioners Garry, Greenwood, Kennedy, and Miller were present. No public comments were received. The commission expressed reservation in allowing the moratorium to expire before the visioning project has allowed a thorough examination of the issues. They felt that the Council should have the opportunity to decide whether to make the changes necessary to carry on the retail restrictions.

The commission recommended approving the ordinance by a 4-0 vote.

ORDINANCE NO. 2017-01

AN ORDINANCE OF THE CITY OF GRAND MARAIS, MINNESOTA, AMENDING GRAND MARAIS ZONING LIMITING THE MAXIMUM SQUARE FOOTAGE OF ALLOWED RETAIL DEVELOPMENTS IN THE C/I ZONE AND ADDING NECESSARY DEFINITIONS

THE CITY COUNCIL OF THE CITY OF GRAND MARAIS DOES ORDAIN (deleted material is lined out; new material is underlined; subsections which are not being amended are omitted):

Section 1. That Chapter 19 of the City Code of Grand Marais, Minnesota, which chapter is entitled "Zoning Ordinance (Revised 2008)", be amended as follows:

19.02 - DEFINITIONS

Subdivision 2. Definitions

Retail Business -- A commercial enterprise primarily engaged in the sale of goods or materials directly to the consumer as opposed to a wholesaler or supplier. Customers of a retail business carry the goods or materials from the building or have them delivered locally.

19.07 C/I SERVICE COMMERCIAL-INDUSTRIAL DISTRICT

Subdivision 1. Purpose

The C / I Service Commercial-Industrial District is intended to provide areas suitable for the location of commercial enterprises and light manufacturing and warehousing activities which require special traffic access considerations due to the nature of use. It is the intent of this district to guide the development of these uses in a manner which will be beneficial to the residents, the land use growth pattern of the City, and the natural environmental.

Subdivision 2. Permitted Principal Uses

Within a C / I District, unless otherwise provided by this chapter, no uses are permitted except for the following:

1. Automobile dealers, new or used car lots, boat, trailer and mobile home display lots and structures.

2. Motels and automobile trailer camps (overnight or temporary stay only).

3. ~~Commercial~~ ~~R~~retail businesses with a building floor area not exceeding 5,000 gross square feet.

4. Services ~~and service establishments and clinics~~.

5.~~4.~~ Service stations and repair garages for motor vehicles.

6.~~5.~~ Taverns and restaurants, to include drive-in type facilities.

7.~~6.~~ Truck and machinery sales and service.

8.~~7.~~ Laundry and dry cleaning processing centers.

9.~~8.~~ Accessory uses.

10.~~9.~~ Enclosed storage structures.

Subdivision 3. Uses by Conditional Use Permit

Buildings or land may be used for the following if granted a Conditional Use Permit as provided in Section 19.17:

1. Improvements to existing single and multiple family dwellings as regulated in Section 19.04, R-1 Residence District.

2. Improvements and expansions to retail businesses that legally existed prior to February 3, 2017.

3.~~2.~~ Light manufacturing and processing operations, excluding sawmill operations.

4.~~3.~~ Single family dwellings.

5.~~4.~~ Enclosed warehousing structures.

Section 2. That this ordinance shall take effect from and after its passage and publication.

Passed by the City Council of the City of Grand Marais this __th day of January, 2017.

Jay Arrowsmith DeCoux, Mayor

Attest:

Michael Roth
City Administrator

12/15/16

Dear Grand Marais City Council,

Several months ago your very own PUC asked you to consider a resolution in support of Carbon Fee and Dividend (CFD), a national, revenue-neutral, carbon tax intended as a solution to climate change. When I appeared before you to address this issue back in April you asked me to investigate our municipal power provider's (Southern Minnesota Municipal Power Agency, SMMPA) position on CFD. That turned out to be a long process. I presented CFD to the SMMPA Board in July. The Board put off action on the proposal until their November Board retreat.

The SMMPA Board has decided to take no position on climate change or CFD at this time. This is not unexpected. Even though SMPPA is not taking a formal position on CFD, I can tell you that in general the board was not supportive of CFD mostly because they thought it would undermine their/our investment in Sherco 3, a relatively newish coal-fired power plant. This would result in higher electricity rates for SMMPA customers. There were also general concerns about the economic risks and possible inequities of CFD. This from the SMMPA Board Retreat Summary:

1. Response to national fee and dividend carbon tax proposal as presented by Grand Marais/Citizens' Climate Lobby

   After discussion, the board members indicated they felt better educated and informed on the issue. However, the board does not intend to issue a written response or take a formal position on the carbon tax plan at this time. The board expressed concern about the cost shift it appears the plan would create that would disadvantage Minnesota and SMMPA's Members. Discussed monitoring national developments through our national trade association (APPA). Agency staff will continue to stay engaged at the state level to monitor state compliance plan development and represent Agency interests.

APPA is the American Public Power Association. APPA's carbon pricing guidelines along with MY explanation of CFD compatibility is attached.

I am disappointed in the SMMPA Board's decision and I think they are failing to see the forest for the trees , so to speak, focusing narrowly on the risks and burdens of increased electricity costs but failing to recognize the

far greater threats to SMMPA communities that are projected to occur as a result of climate change. The truth is: climate change kills; maims; displaces; and systematically degrades the earth's capacity to support human civilization. Clearly, in my book, not worth even significant savings on our collective electric bill.

To SMMPA's credit, the CFD proposal was taken seriously and generated some positive and respectful dialog.

I would like Council to again consider passing a resolution in support of Carbon Fee and Dividend which I continue to believe is one of the most thoughtful, fair, and effective climate change solutions developed on the national level thus far. I hope that you will allow me to make a 15 minute presentation of CFD sometime in the near future. Attached are supporting documents.

Thank you,

George Wilkes
Commissioner, Grand Marais Public Utilities

Grand Marais Public Utilities Commission
Resolution 2016-01

RESOLUTION RECOGNIZING CLIMATE CHANGE AND URGING CONGRESS TO LEVY A REVENUE-NEUTRAL FEE ON CARBON IN FOSSIL FUELS

WHEREAS, climate scientists worldwide are in near-unanimous agreement that the Earth is warming rapidly which is causing changes in climate that are perilous to the Earth's natural systems and to human civilization; and

WHEREAS, the primary cause of that warming is human activity, especially through the combustion of fossil fuels which emit greenhouse gases such as carbon dioxide (CO2); and

WHEREAS, the continued use of fossil fuels is being supported by a market failure whereby the costs of carbon emissions are not included in the price of fossil fuels; and

WHEREAS, the urgent need to transition away from fossil fuels can best be accomplished with a market-based program, namely a revenue-neutral carbon fee on fossil fuel producers with a corresponding rebate or dividend to consumers; and

WHEREAS, using such a revenue-neutral carbon fee and dividend to reduce carbon emissions would have the following benefits:

(1) The carbon fee would incentivize the development and use of energy efficiency and low-carbon energy sources and minimize the need for onerous governmental energy regulations and subsidies that attempt to forecast winners and losers.

(2) The transition to low-carbon energy sources will provide a range of additional benefits including enhanced public health, job creation and strengthening of the U.S. economy, increased energy security, and increased local energy development in rural areas.

(3) Even though the carbon fee would temporarily increase energy costs including electricity rates, and the cost of living, those costs would be offset by the revenue returned to households on an equal basis as a dividend such that the bottom 55-60% of households by income would break even or receive more in dividends than they would pay in higher living expenses.

NOW, THEREFORE, BE IT RESOLVED

that the Grand Marais Public Utilities Commission strongly urges the United States Congress to pass legislation that levies an annually increasing revenue-neutral fee on the carbon in fossil fuels at the point of production or importation, that would be sufficient to:

(a) Encourage individuals and businesses to produce and use less fossil fuels;

(b) Make the transition from fossil fuels less onerous to consumers and to the economy by returning to Americans on an equitable basis all of the revenues gained from the fee;

(c) Reduce U.S. CO_2 emissions to 10% of 1990 levels by 2050;

(d) Encourage similar actions by other nations trading with the United States, by suitable carbon-content-based fees for imports, and rebates for exports, to nations that have not taken such actions.

BE IT FURTHER RESOLVED that the Grand Marais City Administrator is directed to forward a copy of this resolution to the Grand Marais City Council and the City's Congressional Delegation.

GRAND MARAIS PUBLIC UTILITIES COMMISSION

By: _____
Karl Hansen, Chairperson

Attest: _____
Jan Smith, Secretary

Citizens' Climate Lobby

Who is Citizens' Climate Lobby?

Citizens' Climate Lobby (CCL) is a volunteer-driven organization with 338 chapters in the U.S. CCL is non-partisan and operates as a non-profit organization. We seek common ground on energy policy.

What is Carbon Fee and Dividend?

Carbon Fee and Dividend is the policy proposal created by CCL to put a federal price on carbon-based fuels so that their consumer cost reflects their true costs to society.

It's the policy that both climate scientists and economists say is the best first-step to reduce the likelihood of catastrophic climate change from global warming.

Why Carbon Fee and Dividend?

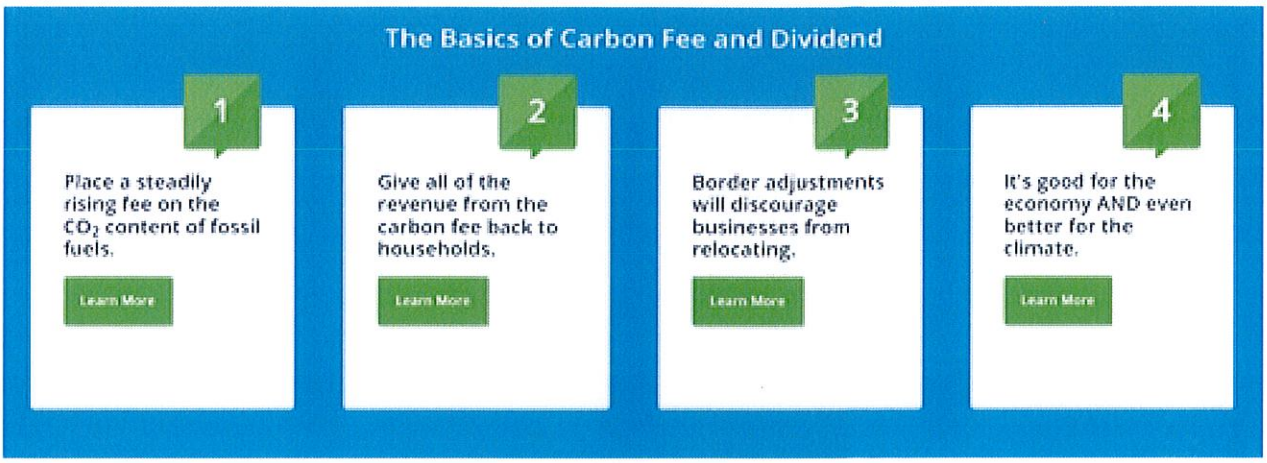
Currently, the price of fossil fuels does not reflect their true costs—including their impact on global climate. Correcting this market failure will require that their price account for the true social costs.

As long as fossil fuels remain artificially inexpensive, their use will rise. Correcting this market failure requires a federal price on carbon that accounts for their true costs.

What Will Carbon Fee and Dividend Do?

Carbon Fee and Dividend will do four things:

1. Add the social cost of carbon-based fossil fuels to the price consumers pay.
2. Cut emissions enough to stay below the 2C threshold for "dangerous" warming.
3. Grow jobs and GDP without growing government one bit.
4. Recruit global participation.



citizensclimatelobby.org

The Text of the Carbon Fee and Dividend Proposal:

Therefore the following legislation is hereby enacted:

1. **Collection of Carbon Fees/Carbon Fee Trust Fund:** Upon enactment, impose a carbon fee on all fossil fuels and other greenhouse gases at the point where they first enter the economy. The fee shall be collected by the Treasury Department. The fee on that date shall be $15 per ton of CO2 equivalent emissions and result in equal charges for each ton of CO2 equivalent emissions potential in each type of fuel or greenhouse gas. The Department of Energy shall propose and promulgate regulations setting forth CO2 equivalent fees for other greenhouse gases including at a minimum methane, nitrous oxide, sulfur hexafluoride, hydrofluorocarbons (HFCs), perfluorocarbons, and nitrogen trifluoride. The Treasury shall also collect the fees imposed upon the other greenhouse gases. All fees are to be placed in the Carbon Fees Trust Fund and be rebated 100% to American households as outlined below.

2. **Methane Leakage:** Methane is a much more potent greenhouse gas than CO2 with both direct and indirect effects contributing to warming. It is therefore important to place a fee on methane that leaks to the atmosphere. Some of this leakage will occur after the fee has been assessed on methane under the assumption that it will be burned to yield the less potent CO2. To ensure the integrity of the program and that markets receive accurate information with regard to the climate forcings caused by various fossil fuels, the carbon fee shall be assessed on such leaked methane at a rate commensurate with the global warming potential ("GWP") of methane including both its direct and indirect effects. Given the importance of tipping points in the climate system, the 20-year GWP of methane shall be used to assess the fee, and not the 100-year GWP. As proper accounting for such leakage is necessary for honest assessment of progress towards program goals, reasonable steps to assess the rate of methane leakage shall be implemented, and leaked methane shall be priced accordingly. The entity responsible for the leaked methane shall be responsible for paying the fee.

3. **Emissions Reduction Targets:** To align US emissions with the physical constraints identified by the Intergovernmental Panel on Climate Change (IPCC) to avoid irreversible climate change, the yearly increase in carbon fees including other greenhouse gases, shall be at least $10 per ton of CO2 equivalent each year. Annually, the Department of Energy shall determine whether an increase larger than $10 per ton per year is needed to achieve program goals. Yearly price increases of at least $10 per year shall continue until total U.S. CO2-equivalent emissions have been reduced to 10% of U.S. CO2-equivalent emissions in 1990.

4. **Equal Per-Person Monthly Dividend Payments:** Equal monthly per-person dividend payments shall be made to all American households (½ payment per child under 18 years old, with a limit of 2 children per family) each month. The total value of all monthly dividend payments shall represent 100% of the total carbon fees collected per month.

5. **Border Adjustments:** In order to ensure that U.S.-made goods can remain competitive at home and abroad and to provide an additional incentive for international adoptions of carbon fees, Carbon-Fee-Equivalent Tariffs shall be charged for goods entering the U.S. from countries without comparable Carbon Fees/Carbon Pricing. Carbon-Fee-Equivalent Rebates shall be used to reduce the price of exports to such countries and to ensure that U.S. goods can remain competitive in those countries. The Department of Commerce will determine rebate amounts and exemptions if any.

More at **citizensclimatelobby.org** and **citizensclimatelobby.org/remi-report**

Carbon Fee and Dividend [redacted]

Carbon Fee and Dividend is the policy proposal created by Citizens' Climate Lobby (CCL) to account for the costs of burning fossil fuels. It's the policy that climate scientists and economists alike say is the best first step to reduce the likelihood of catastrophic climate change from global warming.

Our carbon fee and dividend proposal [1] works like this:

- **A fee is placed on fossil fuels at the source (well, mine, port of entry). This fee starts at $15 per ton of CO_2 equivalent emissions, and increases steadily each year by $10.**
- **100% of the net fees is returned to American households on an equal basis. Under this plan about 2/3 of all households would break even or receive more in their dividend checks than they would pay in higher prices due to the fee, thereby protecting the poor and middle class [2].**
- **A border tariff adjustment is placed on goods imported from, or exported to, countries without an equivalent price on carbon. This adjustment would both discourage businesses from relocating to where they can emit more CO_2 and encourage other nations to adopt an equivalent price on carbon.**

A predictably increasing carbon price will send a clear market signal which will unleash entrepreneurs and investors in the new clean-energy economy.

1. The Citizens' Climate Lobby. "CCL draft legislation for Carbon Fee and Dividend."
2. "Dividends". Last modified: February 12, 2015. The Carbon Tax Center.

APPA Carbon Pricing Guidelines with Carbon Fee and Dividend (CFD) Compatibility

- APPA — Be economy-wide, apply to all industry sectors and consider local, state and regional initiatives while being implemented uniformly nationwide;

  *CFD — Applies nation-wide and economy-wide.

- APPA — Consider the financial impact on consumers;

  *CFD — Provides a net financial benefit for most U.S. households and minimal negative effect on those adversely effected. (see Household study)

- APPA — Protect the ability of U.S. industries to compete in world markets;

  *CFD — A border tariff adjustment is placed on goods imported from, or exported to, countries without an equivalent price on carbon. This adjustment would both discourage businesses from relocating to where they can emit more CO_2 and encourage other nations to adopt an equivalent price on carbon.

- APPA — Allow credit for early actions taken to reduce greenhouse gas emissions;

  *CFD — Early actions would benefit from carbon pricing.

- APPA — Maintain reliability, protect national security and avoid over-reliance on any single fuel;

  *CFD — Market-based approach doesn't mandate any particular energy source. The market will provide for reliability and security as it does now, but would increasingly provide those attributes with a different mix of energy sources as the market dictates. Also to reliability, the energy model used (ReEDS) caps intermittent load at 33% which is conservative.

- APPA — Place an immediate focus on energy efficiency for all energy uses;

  *CFD — Accomplishes this through market forces.

- APPA — Ensure that tax-based or other incentives for renewable and clean energy are provided on a comparable basis to all electric industry sectors, including public power;

  *CFD — Notably NA

- APPA — Ensure emission-reduction targets are consistent with commercially available technologies;

  *CFD — Carbon emission reduction projections and economic projections are based on existing commercially available technologies. (see REMI economic study)

- APPA — Ensure any generation portfolio requirements allow all low-emission technologies.

  *CFD — Yes

Citizens' Climate Lobby

Financial Impact on Households of Carbon Fee and Dividend

Summary by Jerry Hinkle and Daniel Richter

Introduction

In February, 2016, Citizens' Climate Education (CCE) and Citizens' Climate Lobby (CCL) released a working paper that assessed the net financial impact on U.S. households of a $15/ton of CO2 carbon fee in which all proceeds are returned to households on a per-capita basis. The purpose of that working paper (see link at end to download) was to respond to enduring interest from members of Congress in how their own constituents would fare under CCL's Carbon Fee and Dividend proposal. To complete that study CCE and CCL funded Kevin Ummel, an independent researcher at the International Institute for Applied Systems Analysis and author of a separate, earlier study estimating household carbon emissions with zip-code level detail.

The analysis is "static" and does not consider the "dynamic" effects the policy and corresponding price changes would have on the general economy. It is assumed the entire pollution fee is passed through in the form of higher prices "overnight", without changes in production or consumption in response to the price signal.

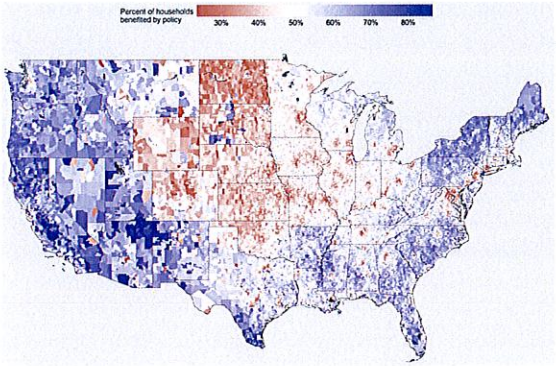


Figure 1: Map of US showing which zip codes have more (blue) or fewer (red) households benefiting with Carbon Fee and Dividend. Overall, 53% of households, and 58% of individuals benefit.

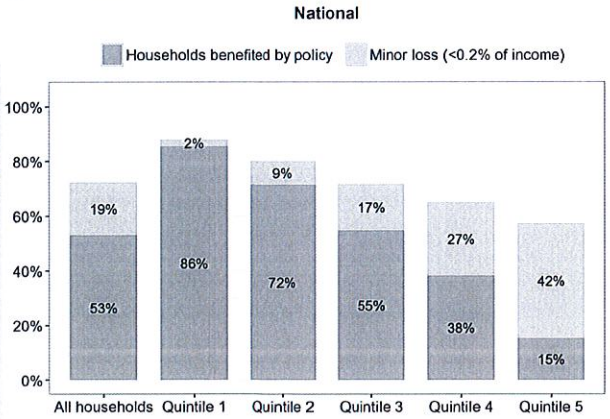


Figure 2: **Percent of Households Benefited, by Income quintile.** The average household in Quintile 1 sees a net gain of $280 per year, equal to 1.78% of income. Quintile 1 has a median (or typical) income of 95% of the federal poverty level (FPL).

Study Highlights:

- 53% of US households and 58% of individuals receive a net financial benefit as the dividend exceeds the estimated increase in costs of goods purchased (Figure 1). This analysis includes none of the health and environmental benefits that come with the reduction of GHGs.

- The gains are concentrated among those considered "most vulnerable" within our society: those with lower incomes (Fig 2), the youngest and oldest (Fig 3), and minorities (Fig 4). Since the Dividend formula is not means-tested in any way, this effect stems simply from charging for pollution and returning proceeds equally per person; not any type of redistribution.
- Though households with higher incomes generally experience a net loss in this study, the impact would be minimal. 15% of households in the 5th quintile actually benefit, and an additional 42% experience only a minor loss (defined as a loss less than .2% of annual income).

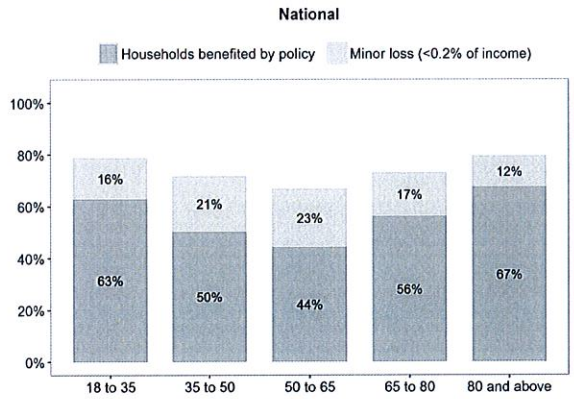


Figure 3: **Percent of Households benefited, by age group.** Older households do well because they tend to have smaller footprints, reflecting reduced mobility and less consumption as a result of low fixed incomes. Younger households tend to be larger – and therefore benefited by the dividend formula – in addition to having less income/consumption in early career.

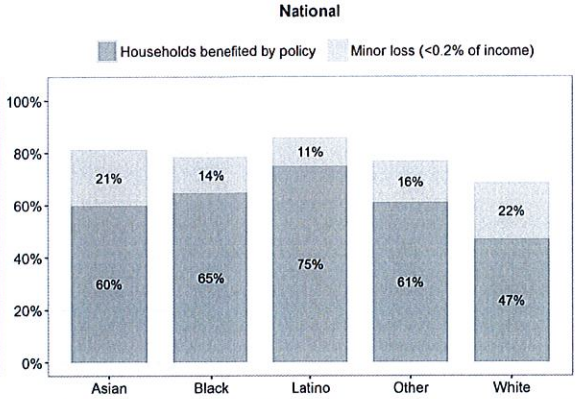


Figure 4: **Percent of Households benefited, by race.** Minority households do well because on average they have lower income and/or more people per household, both associated with a lower footprint. Since the dividend formula is per capita, households with more members generally see higher net benefit.

Reducing Costs

How can households who experience a net loss reduce their carbon footprint, and thus their pollution costs? There are many avenues for this, from more efficient transportation (e.g., public transit), more efficient living conditions (e.g., higher household density), and careful consumer choices. Being static, with price signals passed on "overnight", this study did not allow for or anticipate any such changes in behavior.

Conclusions

This new study provides a useful look at how every congressional district does in unprecedented detail. Though overall projections for how many households benefit are lower than some previous estimates, the overall progressivity of this policy is highlighted, especially in contrast to other options for addressing climate change.

Citizens' Climate Lobby

Summary of "The Economic, Climate, Fiscal, Power, and Demographic Impact of a National Fee-and-Dividend Carbon Tax" By REMI and Synapse

Summary by Danny Richter, Ph.D.

About the study:

Citizens' Climate Education Corporation (CCEC) and Citizens' Climate Lobby (CCL) contracted a third party, Regional Economic Modeling, Inc. (REMI) to do a nation-wide macroeconomic study on the impact of its Fee and Dividend (F&D) policy. The policy modeled is not a perfect representation of F&D (most obviously, F&D begins at $15 per ton whereas the study began at $10 per ton), but it is quite close, and accounts for the impact F&D's border tariff adjustment would have on the US economy. REMI used three models to do the study: (1) The Regional Energy Deployment System (ReEDS) built by the National Renewable Energy Laboratory and run by Synapse Energy Economics; (2) the Carbon Analysis Tool (CAT); an enhancement of the open-source CTAM model and populated by data from the US Energy Information Administration (EIA); and (3) REMI PI+, a proprietary dynamic model of subnational units of the United States' economy whose methodology and equations are peer-reviewed and available to the public. Output included impacts on 160 industries, nationally and regionally for the 9 "U.S. Census" regions commonly grouped together in a number of federal data sources and in the energy market forecasts from the EIA.

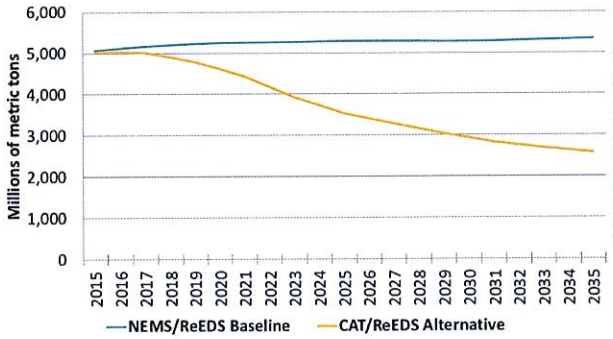


Figure 1: **U.S. CO2 emissions** under F&D (yellow) and without a carbon tax (blue). F&D reduces US emissions to 69% of 1990 levels by 2025, and to 50% by 2035.

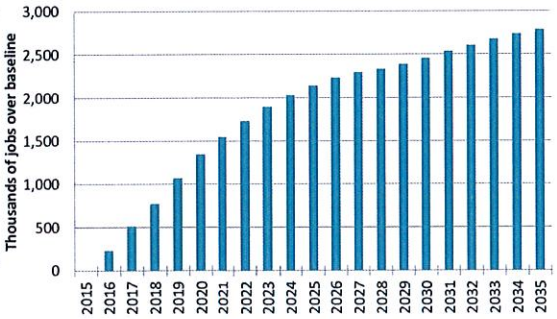


Figure 2: **Thousands of jobs created** by F&D relative to the case without a carbon tax. Over a million jobs created within 4 years, over 2 million within 9 years.

Model results were able to estimate the effects of the policy on GDP, personal income, employment, prices, carbon dioxide emissions, mortality due to NOx and SOx emissions, revenues, monthly dividend amount, energy generation capacity by technology, energygeneration by type, investment in power, population, and economic migration on both a regional and national level. Income and employment figures for each of 160 industry categories considered are included. These 160 industries encompass the entire economy.

The results are all relative to a baseline case where there is no carbon tax (modeled by using the exact same set-up, with a $0/ton value for the carbon tax). In other words, all three models were run two times. Both times, the set-up was identical except for one thing: the price of carbon was either $0 from 2016-2035 (the baseline), or was $10 per ton in 2016 and increased by $10 every year after that (F&D).

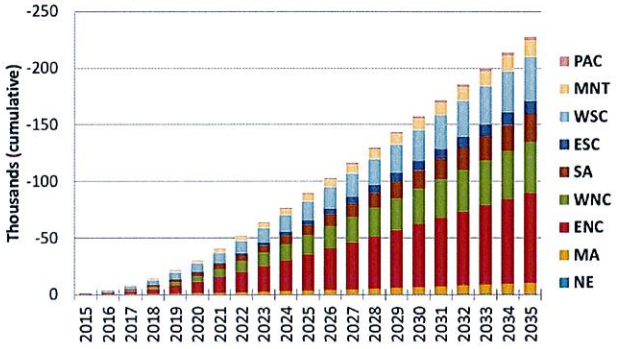


Figure 3: **Cumulative lives saved** from avoided emissions by region under F&D. Region ENC, including Ohio, Indiana, Michigan, Illinois, and Wisconsin, has the most lives saved. 227,000 American lives would be saved in 20 years under F&D.

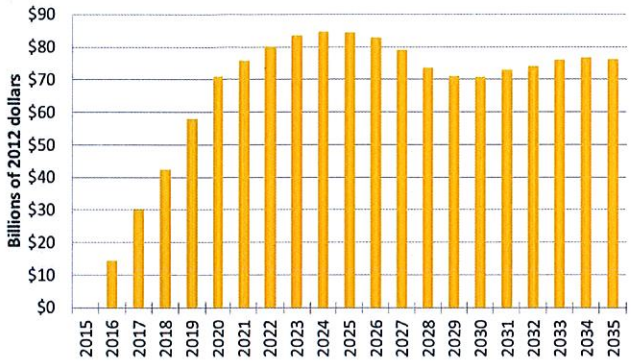


Figure 4: **Annual additional GDP due to Fee and Dividend** relative to no carbon tax. The numbers are positive due to more jobs and more consumer spending with F&D. Over the 20 years considered, GDP is $1.375 trillion higher than without F&D.

Why should we trust REMI?

CCL hired REMI because we are committed to quality data free of ideological taint that you might get from some think tanks. As its name suggests, REMI models regional economics. It does this well. Dr. George Treyz founded REMI in 1980, after working as an academic with Nobel Prize-winner Lawrence Klein and other pioneers in the field of econometric modeling. REMI's modeling products grew from Dr. Treyz's work on one of the first regional macroeconomic models ever created: the Massachusetts Economic Policy Analysis (MEPA) model. Close links to the upper echelons of academia have persisted throughout REMI's 3+ decades of experience, resulting in several academic publications in journals such as the American Economic Review, the Review of Economics and Statistics, and the Journal of Regional Science.

This experience and expertise is why private and public entities from all across the political spectrum have entrusted REMI to do their analyses, and paid them well for that expertise. These former clients include, but are not limited to: the American Gas Association (AGA), the Nuclear Energy Institute (NEI), the National Federation of Independent Business (NFIB), the National Education Association (NEA), the International Brotherhood of Teamsters, Booz Allen Hamilton, EY (formerly Ernst and Young), PWC (formerly Price Waterhouse Coopers), and ICF International. Like CCL and CCEC, REMI is truly nonpartisan.

In that same spirit, CCL and CCEC did not attempt to influence the outcome of the report in any way. In fact, we were excited when we saw that not all the results were positive for every region, because that speaks to the integrity of the analysis. Our first priority is a livable world, and we can't get there without an honest and clear-eyed view of the facts.

Study Highlights:

- CO2 emissions decline 33% after 10 years, and 52% after 20 relative to baseline (Figure 1).
- National employment increases by 2.1 million jobs after 10 years, and 2.8 million after 20 years. This is more than a 1% increase in total US employment we don't get without a carbon tax (Figure 2)!
- 13,000 lives are saved annually after 10 years, with a cumulative 227,000 American lives saved over 20 years (Figure 3).
- $70-$85 billion increase in GDP from 2020 on, with a cumulative increase in national GDP due to F&D of $1.375 trillion (Figure 4).
- Size of monthly dividend for a family of 4 with two adults in 2025 = $288, and in 2035 = $396. Annually, this is $3,456 per family of 4 in 2025 ($1152 per capita--children get ½ dividend) (Figure 5).
- Electricity prices peak in 2026, then start to decrease.
- Real incomes increase by more than $500 per person in 2025. This increase accounts for cost of living increases (Figure 6).
- Maximum cost-of-living increase by 2035 is 1.7-2.5%, depending on region (Figure 7).
- Electricity generation from coal is phased-out by 2025.
- Biggest employment gains in healthcare, retail, and other services (excluding public administration). This is because people have more money in their pockets to spend, and these industries are most boosted by consumer spending.
- Regional Gross Product is steady or rising in 8 of 9 regions.

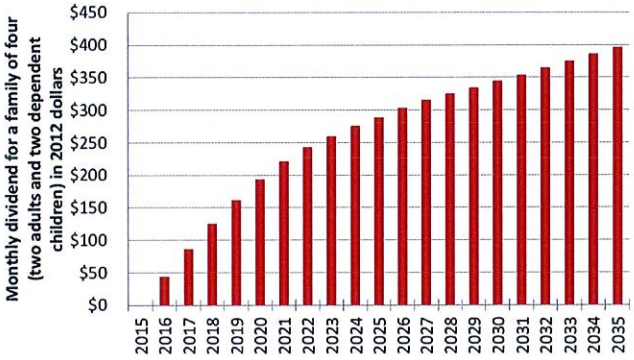


Figure 5: **Average monthly dividend** for a family of four. Each adult gets one full share, and each child one half-share up to two children.

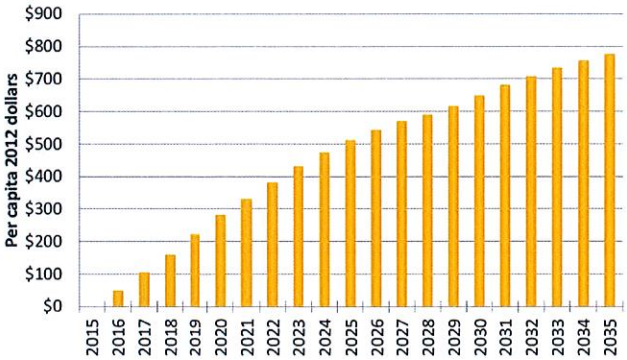


Figure 6: **US Income per capita,** after accounting for cost-of-living increases. This means that even accounting for the increased cost of living, the average American is wealthier *every single year* of the policy.

Why Haven't Previous Studies Found Such Positive Impacts?

The majority of previous reports considering a carbon tax have not modeled a completely revenue-neutral carbon tax, do not envision a policy with such an aggressive rate of increase, do not have the same detail as REMI can provide, do not consider a 100% dividend, and do not report health benefits. Where revenue-neutrality was modeled, a "double-dividend" was often discovered in which carbon emissions were reduced and economic output grew. As these previous studies have highlighted, including a May 2013 study by the Congressional Budget Office (CBO), a carbon tax without revenue-

recycling is a completely different policy from a carbon tax that does recycle revenue. The two policies, revenue-neutral carbon tax and a carbon tax without revenue returned, should not be confused in terms of their effect on the economy.

Failing to consider such a rapid rate of increase in the carbon tax has prevented previous studies from realizing the magnitude of emissions reductions and scale of economic benefit reported in this study. Often, this was because rates of increase were not considered politically feasible. Most other models, run by academics or think tanks, do not have the detail provided by REMI. Over the past 3 decades, REMI's regional modeling techniques have been refined, detail has been added, and functionality improved. Three decades of such work and refinement in the private sector are what have given it an unmatched level of detail and reliability difficult to replicate.

Despite these differences in conception, the results of REMI's work are largely consistent with previous studies in terms a benefit to the economy, industry effects, and emissions reductions. For example, the May 2013 CBO study also stated that a well-designed carbon tax could increase economic output and found a hypothetical $20 per ton carbon tax scenario would result in an 8% reduction in emissions at the national level. If held at that level, REMI's model setup would have found comparable results.

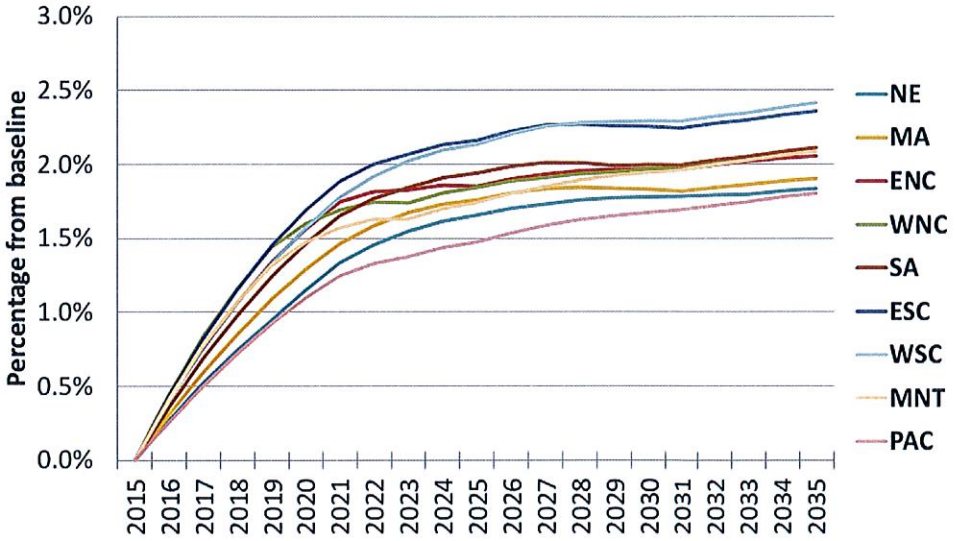


Figure 7: **Cost of living increases by region.** The lowest cost of living increase is approx. 1.7%, and the highest 2.5% in 2035. The total increase over 20 years is thus about equal to 1 year of average inflation.

Interpreting the Results: Take-home points

The biggest take-home from this study is that there is no economic argument against Fee and Dividend. It creates jobs, grows the economy, saves lives, and makes Americans richer. It does this while also reducing CO2 emissions to 31% below 1990 levels by 2025, and to 50% below 1990 levels by 2035.

F&D therefore sets the new standard for climate and economic policy. Other policies must now compare their climate and economic impact against F&D. To be against doing anything is to be against jobs, against a larger economy, and against saving American lives. We know of no politician who wants to be against these things, and so we hope that this study will clear the way to rapid passage of F&D.

July 5, 2016

To the SMMPA Board and Fellow Member Utilities,

Thank you for the opportunity to discuss with you the issue of climate change and an emerging and promising climate change solution — a national carbon pricing policy known as Carbon Fee and Dividend (CFD). Recently, the Grand Marais Public Utilities Commission passed a resolution (attached) recognizing climate change as a serious threat to the future well-being of our community and encouraging the U.S. Congress to address that threat by enacting federal CFD legislation.

Climate change, unfortunately, is not going away. The science has been unrelenting, the effects are increasingly evident and relevant, the projected effects continue to be dire, and the people of our member communities, our state, our nation, and indeed the world, are increasingly calling for action. In this environment, SMMPA and the American Public Power Association (APPA) need to be part of the conversation.

Climate change solutions are upon us. They come in two flavors: One is what we have now — a hodgepodge of local, state, and national regulations, standards, and subsidies. This approach has been shown to be wholly inadequate, cumbersome, expensive, and unfair. The other flavor is a national market-based approach such as cap-and-trade or a revenue-neutral carbon pricing system of which CFD is an eminently viable example.

We suggest that SMMPA (and APPA) need to move beyond merely criticizing the shortcomings of climate change solutions such as the Clean Power Plan and begin a process to work toward identifying a climate change solution that is realistically effective and that can be acceptable for SMMPA and its member communities. It's time to see if we can be ***for*** something on the issue of climate change.

That something could be CFD. CFD would, first and foremost, actually be effective at solving the carbon emissions problem; Additionally, it's arguably good for our national and regional economies (see REMI report

attached); It would not be an economic burden for American households especially low-income households (see Household Impact Study); And it would render obsolete most if not all of the current carbon-related environmental regulations including the Clean Power Plan, subsidies, and standards.

Illustrative of CFD's suitability as a widely acceptable climate change solution is how well it satisfies APPA's current guidelines for a carbon pricing policy. While there is certainly debate about the degree to which CFD satisfies each of those guidelines, the point is: CFD is at least in the ballpark on every one of them. (APPA guidelines with CFD compatibility document attached)

One final attribute of CFD crucial to its political viability is that it has been designed to be an open, non-partisan, collaborative process inclusive of conservative values. The fee is not a tax because the government doesn't keep the money. The federal government's role would be strictly administrative resulting in a minimal expansion of federal government and arguably a recession of federal government as the need for carbon-related regulation and subsidies is eliminated. In short, CFD is the type of market-based solution that will increasingly appeal to conservatives as the case for climate change solutions continues to clarify and public demands for action continue to mount.

We hope that someday other member utilities and SMMPA might follow Grand Marais's lead and come to advocate for CFD as a climate change solution. But for now, we realize that's a high bar and wonder if in lieu of such action SMMPA would be willing to take other steps towards more active engagement in the conversation about climate change and its solutions. Our suggestion is for the SMMPA board to ask SMMPA Staff to develop a process within SMMPA to more formally address climate change issues. Perhaps a working group; Perhaps a quarterly report or update; Perhaps some type of member community outreach to provide education and to gauge awareness and attitudes among member communities. All intended to help our communities find common ground and move forward together on this vexing issue.

We thank you for your consideration,

George Wilkes
Grand Marais Public Utilities Commissioner
Grand Marais, MN
218 387 2137
gwilkes@boreal.org

City of Grand Marais

MEMO

TO: Mayor Arrowsmith-Decoux
City Council Members
FROM: Michael J. Roth, City Administrator
DATE: January 6, 2017
SUBJECT: 2017 Board Appointments

Citizen Appointments
The following boards have openings for citizen representatives. All terms are for three (3) years unless otherwise noted. Listed below each board are the names applicants or eligible incumbents that expressed an interest in another term received to date. I will update the list at the time of the meeting.

Library Board (one three-year, one two-year)
- No candidates

Park Board (one opening)
- Barb Backlund (incumbent)

Planning Commission (one opening)
- No candidates

Council Appointments
You must appoint a Council representative to the following boards.

Board Name	Past Council Representative
Economic Development Authority	Anton Moody
Library Board	Jay Arrowsmith DeCoux
ARDC Board	Anton Moody
North Shore Management Board	Tracy Benson
Park Board	Dave Mills
Personnel Committee	Jay Arrowsmith DeCoux, Tracy Benson
Planning Commission	Tim Kennedy
Public Utilities Commission	Tim Kennedy
Public Utilities Board	Dave Mills, Anton Moody, Tracy Benson
Safety Committee	Anton Moody

The Council has also appointed liaisons to the following boards:

Animal Advocates	Anton Moody
North House Folk School Liaison	Jay Arrowsmith DeCoux
CCLEP	Jay Arrowsmith DeCoux
Active Living/Safe Routes to School	Tim Kennedy
Northwoods Food Project	Dave Mills
YMCA	Dave Mills

Acting Mayor
At the first meeting of the year, the City Council appoints one of its members to fill the role of acting mayor. The acting mayor can perform the duties of the mayor in the mayor's absence. The acting mayor in 2016 was Councilor Kennedy.

COOK COUNTY NEWS Herald
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BIDS FOR
The City of Grand Marais

- Price per column inch for legals & display ad legals = $9.00 per column inch.
(Column inch is 1.53" wide by 1" deep)

- Price for Calendar of event ads = $8.00 per 1-20 words
and $1.00 per 10 words after.

- Price for Classified line ads = $8.00 per 1-20 words
and $1.00 per 10 words after.

- Price for regular block display ads = $9.00 per column inch.
(Column inch is 1.53" wide by 1" deep)

- Price for Classified block regular display ads = $9.00 per column inch.
(Column inch is 1.53" wide by 1" deep)

- Second color price = $25 extra

- Third & fourth color price = $85 extra

Dated January 3, 2017
Hal and Deidre Kettunen, Publishers

City of Grand Marais

MEMO

TO: Mayor Arrowsmith-Decoux
City Council Members
FROM: Michael J. Roth, City Administrator
DATE: January 6, 2017
SUBJECT: Official City Depository

Please approve the following list of depositories of City funds for 2017.

Grand Marais State Bank
North Shore Federal Credit Union
Security State Bank
LMC/4M Fund
Morgan Stanley Smith Barney

Approved Minutes-Park and Recreation Board
Tuesday, November 1st, 2016

Members Present: Sally Berg, Kaye Tavernier, Barb Backlund, and Dave Mills
Members Absent: Jennifer Stoltz
Staff Present: Dave Tersteeg, Samantha Wallner and Mike Kunshier

Call to Order
Berg called the meeting to order at 4:45pm

Additions / Approval to Agenda and October minutes:
A motion was made by Tavernier to approve the agenda with the addition of the golf report, 2nd by Backlund. All ayes, motion approved. A motion was made by Mills to approve the October minutes with the correction to the last line in the parks report, second by Backlund. All ayes, motion passed.

Guests:
Brian Larsen

Golf Report:
Kunshier reported that final 2016 revenue came it at $125,031; almost even with 2015 ($125,322). Green fees for the year were down 6.5% ($3,207) vs. last year, but season pass revenue was up due to higher rates. Rounds played were down 4% (370) vs. 2015. Overall, an average summer, although a number of Saturdays were lost this season due to rain and storms. All the seasonal help is now done for the year. Final preparations taking place to close the course for the year include: inventory, top dress, rope and winterize the greens and clean the carpet in the clubhouse. Backlund asked a question to Kunshier following-up on last month discussion of allowing disc golf on the course – is it compatible and how do we actually know if it is or not? The board again discussed the compatibility and several members confirmed their feelings expressed at the October meeting – disc golf does not seem to be a good fit on a real golf course.

2017 Campground and Marina Rates:
The board was given a handout with further analysis and recommendations by Tersteeg for 2017 adjustments. A motion was made by Tavernier to accept the recommended rates as written below, second by Backlund. All ayes, motion passed.

- Off-season storage to increase to $69 a month
- Marina seasonal rate increase of $1 to $58/foot, no change to daily rates.
- Add $.50 to the current 2016 nightly rates and $10/month more to monthly rates
- Replace $2/night upcharge on 50amp sites with pull-thru sites.
- Increase all lakeside RV sites to $10 more/night that standard EWS sites
- Increate the 12-month plan rates by $50.

Camper/Boater Issues and Concerns:
None

City Council Report:
Mills reported to the board that the proposals for project management on construction of the new public works facilities have come in, with considerable monetary differences in the two proposals. Kraus Anderson came in at $330,000 and McGough was much higher at $537,000. He didn't have any other info, as he wasn't at the meeting. The council will be doing further research in the firms and the prices. The new website is up for the comprehensive planning efforts - grandmaraisvisioning.org. Mills also reported that the EDA will probably be making a land request in the near future on behalf of Spectrum

Health. Three locations currently being discussed are north of the hospital, immediately east of the horse park and in the business park east of the law enforcement center. There has been no formal request yet, but Spectrum Health usually only builds on land that has been donated.

Parks and Rec Report:

- October 2016 revenue was $48,210; up $2,866 (6.3%) vs. 2015. YTD revenue stands at $1,124,223; up $87,446 (8.5%) vs 2015. The successful season had many attributes- great weekend events, hot summer weather, camping and RV vacations trending up nationally and huge demand for the north shore. It was especially nice to see strong growth in the "shoulder season" months of May, June and October.
- Stone Harbor Wilderness has submitted a special event application for the use of Harbor Park next July 21-23, 2017 for the 3rd annual Water Festival weekend. Same deal as this year-free demo on standup paddle boards and kayaks. A motion was made by Backlund to approve the application, second by Tavernier. All ayes, motion passed.
- A representative from the Skinny Whinnie group that has been holding a September rally in the park for the past several years has submitted a letter of request asking the city provide a tent next to the Rec Hall so their group can be more comfortable. The rally attracts roughly 75 campers and the Rec Hall only holds 50 or so, although we add extra picnic tables to the area outside. The past several years, we have suggested they rent a tent from Isak Hansen's and/or use the Community Center.
- October's MEA/Moose Madness weekend was very busy in the park with great weather. Last event coming up for season will be NHFS Winterer's Gathering, Nov. 18-20.
- The seasonal water system has been winterized, with minimal drama. Next up is consolidating the marina docks, installing the de-icers and removing the roll-in docks at the access ramps. Park staff is also working on cleaning up all fire grates and micro-trash on sites, as well as pressure washing all the dumpsters and recycling bins. We also hope to do some intensive weeding and trimming in Harbor Park and the library rain garden.
- Santa's little helpers have started the holiday, light up the town project. New bows have been purchased for the garlands that wrap the street lights.

Adjourn

Berg adjourned the meeting at 6:18. These minutes will be reviewed for approval at the December meeting.

The December meeting is Tuesday, December 6th at 4:45 at the Park Office. Please contact the Park Office if you cannot attend 387-1712.

Upcoming Meeting Schedule

Updated January 6, 2017

JANUARY

Date/Time	Meeting	Location
Wednesday, January 11, 6:30 p.m.	City Council Meeting	Council Chambers
Wednesday, January 25, 6:30 p.m.	City Council Meeting	Council Chambers

FEBRUARY

Date/Time	Meeting	Location
Wednesday, February 8, 6:30 p.m.	City Council Meeting	Council Chambers
Wednesday, February 22, 6:30 p.m.	City Council Meeting	Council Chambers