



REQUEST FOR COUNCIL ACTION

AGENDA DATE: October 28th, 2024

AGENDA ITEM: Consider adopting an Ordinance establishing Franchise Agreements.

PREPARED BY: Matt Wegwerth

BACKGROUND:

The City has been reviewing various options for funding the Street Improvement Program. Currently, the city bonds for projects and utilizing the general levy for making loan payments. Franchise fees are a mechanism for generating revenue that is more equitable than utilizing property taxes. Non-profits, tax-exempt, government entities and churches currently do not assist with funding the street program but would with the franchise fee model.

In order to implement franchise fees, the first step is to establish Franchise Agreements with the three electric service providers within the City of Grand Rapids. Attached are ordinances with Grand Rapids Public Utilities, Minnesota Power and Lake Country Power.

Once the franchise agreements are approved, Council will consider setting the Franchise Fees at a subsequent meeting.

REQUESTED COUNCIL ACTION:

Make a motion adopting an Ordinance establishing Franchise Agreements with Grand Rapids Public Utilities, Lake Country Power, Minnesota Power and publish in short form.