



CITY OF  
**GRAND RAPIDS**  
IT'S IN MINNESOTA'S NATURE

## **CITY COUNCIL MEETING MINUTES**

**Monday, December 01, 2025**

**6:00 PM**

Mayor Connelly called the meeting to order at 6:00 PM.

PRESENT: Mayor Tasha Connelly, Councilor Molly MacGregor, Councilor Tom Sutherland, Councilor Dan Mertes. ABSENT: Councilor Rick Blake.

STAFF: Tom Pagel, Kimberly Gibeau, Chad Sterle, Rob Mattei, Andy Morgan, Erik Scott, Amy Dettmer, Dale Anderson, Travis Cole, Chery Pierzina

### **POSITIVE HAPPENINGS IN THE CITY:**

Mayor Connelly announced the annual Shop with a Hero program scheduled for December 7, 2025.

### **PUBLIC FORUM:**

Susan Bigwood 223 NW 8th Street, questioning tax increase.

### **COUNCIL REPORTS:**

Councilor Sutherland stated that with the cold weather, the parks and recreation department are hoping to have outdoor rinks flooded and ready for use by the weekend.

### **APPROVAL OF MINUTES:**

1. Approve Council minutes for Monday, November 24, 2025 Worksession and Regular meetings.

Motion made by Councilor MacGregor, Seconded by Councilor Mertes to approve Council minutes as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Mertes

### **VERIFIED CLAIMS:**

2. Approve the verified claims for the period November 18, 2025 to November 24, 2025 in the total amount of \$74,129.93.

Motion made by Councilor Mertes, Seconded by Councilor Sutherland to approve the verified claims as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Mertes

### **ACKNOWLEDGE MINUTES FOR BOARDS AND COMMISSIONS:**

3. Acknowledged the following:

- ~ September 10 and October 8, 2025 Library Board Meetings
- ~ October 23, 2025 EDA Meeting
- ~ October 7, 2025 Arts & Culture Meeting
- ~ October 29, 2025 Human Rights Meeting
- ~ October 2, 2025 Planning Commission Meeting
- ~ October 21, 2025 Golf Board Meeting

CONSENT AGENDA:

4. Consider accepting the resignation of Derek Fox from the Arts & Culture Commission, effective December 31, 2025
5. Consider rescinding appointment of two seasonal employees hired as Maintenance – Winter (Public Works).
6. Consider approving an amendment to the retirement benefit level of the Grand Rapids Fire Department Relief Association Bylaws

**Adopted Resolution 25-77**

7. Consider approving Maintenance – Winter (Public Works) new hire, Anthony Rockwell Jr., for the 2025-2026 Winter season.
8. Consider approving the continuation of general liability insurance through the League of Minnesota Cities Insurance Trust for calendar year 2026.

Motion made by Councilor MacGregor, Seconded by Councilor Sutherland to approve the Consent agenda as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Mertes

SET REGULAR AGENDA:

Motion made by Councilor MacGregor, Seconded by Councilor Mertes to approve the Regular agenda as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Mertes

TRUTH IN TAXATION HEARING PUBLIC HEARING:

9. Conduct a Public Hearing on 2025 Levy Payable in 2026 and 2026 budget at 6:00 p.m. as stated in the Truth in Taxation Statements.

The city presented its proposed 2026 budget and 2025 levy collectible in 2026. Property taxes are being affected primarily by a large jump in residential market values, while commercial property values have stayed flat, causing a tax-burden shift toward homeowners.

The preliminary levy showed a 6% increase, with tax capacity rising from \$12.3M to \$12.9M. The average home increased in value by \$20K, raising estimated taxes accordingly. The city has identified additional budget cuts for consideration, that could allow the final levy increase to be reduced to zero.

Examples illustrated how tax shifts occur when one class of property (residential) grows in value faster than another (commercial). Individual tax increases are largely due to valuation increases, not higher levy.

Motion made by Councilor MacGregor, Seconded by Councilor Sutherland to open the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Mertes

Matthew Picklo, 835 NW 6th Avenue, expressed concern that although his property value increased only 10%, his City property tax increased 43.9%, and he does not understand the cause of such a large jump. He questioned the explanation that tax-burden shifts are a “zero-sum game,” arguing that fairness should not depend solely on valuation changes. He also objected to the late arrival of his Truth-in-Taxation notice, less than a week before the hearing, saying the timing, especially around holidays, left the public unprepared. Finally, he requested specific figures showing how much state and federal aid to the City has decreased, so residents can better understand the City’s revenue changes.

Dean Smith, 704 NE 8th Avenue, stated that his tax increased 34.9% this year and almost 70% since 2017. He questioned the County’s valuation process. He strongly objected to the City cutting a police officer from the budget, arguing it would cost only about \$10 per resident per year to fund that position.

Donna Satterlund, 713 Allen Drive, a new resident of both Grand Rapids and Minnesota, reported steep property tax increases despite having lived in her home only three months. Her total tax increase is 37%, which she considers unreasonable, especially since the home’s estimated 2026 market value is \$274,000, while she paid only \$231,000 for it. She suggested that new homeowners should receive some protection or exemption during their first year and stated that the overall assessment disparities are unfair.

Beth George, 833 NE 6th Street, expressed two main concerns. First, she described how homes in her neighborhood are increasingly being purchased as VRBOs, removing them from the local housing market, driving up home prices, and negatively affecting the sense of community. She urged the city to consider limiting short-term rentals as part of addressing housing challenges. Second, she objected to proposed budget cuts that eliminate funding for the Human Rights Commission and the Arts & Culture Commission.

Jennifer Wilson, 1235 NW 3rd Avenue, expressed concern about her property taxes increasing by 30.8%, saying it is difficult to justify such a large rise when essential services are being reduced. She highlighted that the library is being defunded and open only a couple of days per week despite many families relying on it. She feels this reduction signals a lack of investment in children and is disheartening for the community. She emphasized that such significant tax increases are very difficult for families to manage.

Naomi Bergman, 1104 NW 2nd Avenue, stated that these rising costs are becoming a burden, especially for those living in older homes. Also expressed disappointment about the elimination of a police officer position, emphasizing her appreciation for local law enforcement. Overall, she conveyed discouragement about the continual climb in taxes.

Sue Bigwood, 223 NE 8th Street, questions the formula used to determine individual tax increases across the city. Despite owning a 90-year-old home with no major improvements in

two decades, her taxes rose by 40%, while others increased far less. She questioned how assessments are determined, why older or smaller homes sometimes see larger increases than newer or more valuable properties, and why some expensive lakefront homes appear to pay less in taxes than moderately priced homes. Believes these increases are particularly harmful to young families and future homeowners. She urged the council to provide a clear public explanation of how assessments and tax increases are calculated.

Renee Duscharme, 706 Southwest 5th Avenue, shared that their property taxes increased by 28% after the assessed value of their home rose from \$200,000 to \$273,000 in just four years. The tax increase strains fixed household budgets, forcing cuts to discretionary spending such as dining out, entertainment, home improvements, and local shopping. While individual reduction in spending is small, she noted that if hundreds or thousands of residents do the same, it could significantly impact the local economy. She urged the city to explore alternative revenue sources instead of relying heavily on property taxes and expressed concern that future buyers may be unable or unwilling to afford inflated home values like the one now assigned to her property.

Holly Bloomquist, 509 NW 9th Avenue, stated that while she supports the city and its services, she is confused by the scale of her property tax increase. She explained that her home's assessed value rose by 16.8%, yet her city taxes are increasing by 73.29% and requested an explanation showing how that figure was determined.

Heather Kral, 1015 SW 25th Street, explained that she and her husband bought her childhood home from her parents this year and, although she expected higher taxes, the current total is very difficult for her family to manage. She expressed concern that rising taxes take resources away from her household and emphasized that families also need support. She said she is comfortable with reducing funding for areas like human rights or other commissions if necessary, because residents need to be able to afford to live in the community. She urged the council to reduce the levies to make living in the city more sustainable for families.

James Allen, 1015 Southwest 25th Street, expressed frustration about what he sees as wasteful city spending, particularly on public art.

No one else wished to speak, therefore the following motion was made.

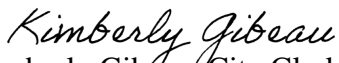
Motion made by Councilor Mertes, Seconded by Councilor Sutherland to close the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Mertes

Mayor Connelly clarified that Itasca County and its Assessor's office determine property values and send out notices, so the city has no control over timing or assessments. Market sales can influence valuations, and reassessments occur on a scheduled basis. Programs like public art are funded through road construction projects, which are currently on hold due to budget limitations, meaning there will be no art spending in the next one to two years. The Mayor emphasized that the city has already cut nearly half a million dollars from discretionary spending and is striving to maintain essential services with a zero percent tax increase. The Mayor acknowledged residents' concerns, thanked them for attending and providing input, and noted that the council must now carefully consider what additional cuts, if any, are feasible while balancing community expectations for essential services.

The next meeting of the City Council is scheduled for Monday, December 15, 2026 at 5:00 PM. Itasca County Assessor will provide a presentation and the City will adopt its final levy.

There being no further business, the meeting adjourned at 7:16 PM.

Respectfully submitted:

  
Kimberly Gibeau, City Clerk