

Council Agenda Item 26-0625R



MEETING DATE: July 13, 2026

SUBJECT/TITLE: RESOLUTION APPROVING A GREATER MINNESOTA LEGACY GRANT APPLICATION TO THE GREATER MINNESOTA REGIONAL PARKS AND TRAILS COMMISSION AND MINNESOTA DEPARTMENT OF NATURAL RESOURCES FOR THE SPIRIT MOUNTAIN NORDIC CENTER

SUBMITTED BY: Allison Brooks, Project Coordinator

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION: 15-0358R – Approved the Grand Avenue Nordic Center Mini-Master Plan, in partnership with the Duluth Cross Country Ski Club and the Spirit Mountain Recreation Authority. The Nordic Center is envisioned as a 5 km cross country ski trail system with snowmaking and lighting to provide a dependable, season-long venue for recreational skiing, youth activities, and regional events and competitions.

18-0033R – Adopted the Spirit Mountain Recreation Area Master Plan Update.

23-0095R – This resolution expressed support for the Minnesota State Legislature to authorize the extension the half-and-half tax for the purpose of funding up to \$36 million in capital improvements to parks-based public athletic facilities in support of tourism and quality of life in northeast Minnesota.

23-0745R – Accepted the special law extending the half-and-half tax and authorized the revenues to be spent on capital improvements to parks-based public athletic facilities.

23-0748R – This resolution expressed support for moving forward with a preliminary slate of projects and funding levels for an array of capital improvement projects funded through the half-and-half tax extension. One of the projects identified in the preliminary project list was the Spirit Mountain Nordic Center, with an anticipated contribution of \$1.2 million from the half-and-half tax.

BACKGROUND: Development of the Nordic Center has been possible through collaboration between the City of Duluth, Spirit Mountain Recreation Authority, and the Duluth Cross Country Ski Club (DXC) over the past 10 years, with all three entities providing project funds towards realizing the vision for the Nordic Center. When complete, the Nordic Center will provide a dependable, season-long venue for recreational skiing, youth activities, and regional events. This includes opportunities for sports-based tourism.

This grant application will support the final phase of development at the Nordic Center to expand snowmaking and lighting on remaining portions of trail and increase snowmaking capacity for the Nordic Center with the purchase and installation of two pumps and one valve station (see Exhibit A for a map of the remaining work).

The anticipated total project cost and associated grant application is \$2,700,000 with the project cost split 75/25 for an application to the Greater Minnesota Regional Parks and Trails Commission requesting a Legacy Grant of \$2,025,000 and the City of Duluth committing a local match of \$675,000. The City's local match will include up to \$325,000 of the remaining half-and-half project funds and \$350,000 raised by the Duluth Cross Country Ski Club.

This spring, the City of Duluth submitted two equipment grant applications in the amount of \$75,000 each to the Federal Recreational Trail Program to support purchase of the new pumps at Spirit Mountain Recreation Area (approved via 26-0133R and 26-0134R). The local match for these two equipment grants was \$229,000, which would be funded by the remaining half-and-half project funds. These applications are pending review, and notification is expected later this summer. If awarded, these equipment grants and their associated match would be incorporated into the overall project and offset up to \$125,000 of the City's local match for the Legacy Grant. If the equipment grants are not awarded, the local match for the Legacy Grant would be \$325,000 from the remaining half-and-half project funds. In both circumstances, the City of Duluth meets the local match requirements for the grant programs, utilizes the previously authorized Nordic Center project funds, and realizes the vision for the Nordic Center.

If awarded, the grant would support the substantial completion of the Nordic Center as originally envisioned in the 2015 Grand Avenue Nordic Center Mini-Master Plan (approved via 15-0358R) and reiterated in the 2017 Spirit Mountain Recreation Area Master Plan Update (approved via 18-0033R). When complete, the Spirit Mountain Nordic Center will provide high-quality, dependable snowmaking and lighting over a 3.3 km Nordic ski venue to support public recreational skiing, youth activities, and regional high school and college competitions. The venue includes a stadium and accommodates 3 competition loops between 0.5-1.5 km, with access to the 20 km Nordic Center ski trails on top of Spirit Mountain via a dedicated 1.9 km Nordic Connector trail.

BUDGET/FISCAL IMPACT: Of the \$1,200,000 project funding approved for use in the development of the Spirit Mountain Nordic Center, \$350,000 of project funds are remaining. Previous work with allocated project funding has included installation of necessary infrastructure and trail construction, but insufficient funds remain to realize the vision for the Nordic Center. Without this grant application and award, the project will continue to be incomplete without alternative funding allocations, which limits opportunities to host regional events and the realization of profits as a destination cross-country ski facility.

OPTIONS: Approve the grant application, including the use of up to \$350,000 for local matching funds, to support the completion of the Spirit Mountain Nordic Center, or decline the application to halt continued development.

NECESSARY ACTION: Approve the Greater Minnesota Legacy Grant application and authorize the use of remaining project funds in an amount not to exceed \$350,000 to be used as matching funds to support completion of the Spirit Mountain Nordic Center as envisioned.

ATTACHMENTS: Exhibit A: Site Map – illustrating remaining work at the Spirit Mountain Nordic Center