



# Park Rapids Lakes Area Chamber of Commerce

1204 Park Avenue South  
P.O. Box 249  
Park Rapids MN 56470  
Voice: 218-732-4111 800-247-0054  
Fax: 218- 732-4112

FILED  
Court Administrator

JUL 18 2011

Date: July 18, 2011

By J.F. Deputy

To: Special Master Kathleen Blatz, Minnesota State Attorney General and Governors Counsel

Re: Petition to Immediately Re-Open Itasca State Park

### Board of Directors

Andrea Frank, President  
ACS Communications

Robert Seifert, President Elect  
Coborns Family Foods

Diane Dennis, Past President  
Coldwell Banker Clack & Dennis Real Estate

Joseph Scharber, Vice President  
Sleeping Fawn Resort

Kent Fritze, Treasurer  
Northwoods Bank of Park Rapids

Ed Becker  
In-We-Go Resort

Butch DeLaHunt  
DeLaHnt Broadcasting

Natalie Roy  
Mantrap Lodge

Chris Goplarud  
Beds Plus

Dan Howland  
Riverside Point Resort

Julie Larson  
Lamb Weston RDO Frozen

Dennis Mackedanz  
North Ambulance Service

Rory Palm  
Park Rapids Enterprise

Peter Young  
Y Steak House

### Staff

Katharine B. Magozzi  
Executive Director

Jane Larsen  
Ambassadors and Special Projects

Sharon Fitzgerald, Bookkeeping

Kelly Simonson, Office Assistant

Cindy Gunsolus, Gurst Services

The Park Rapids Lakes Area is one of the last bastions of family owned resorts and campgrounds in the state of Minnesota. The Park Rapids Lakes Area Chamber of Commerce represents 400 businesses, the bulk of which depend on summer tourism dollars to support them during our long Minnesota winter. In addition, several businesses are located within Itasca State Park, operating under a DNR Concession contract. These businesses have been shut down by the DNR and the park barricaded. They have been put out of business by the state of Minnesota.

Park Rapids Lake Area is the home of Itasca State Park, the Headwaters of the Mississippi River, and the star of Minnesota's state park system. Thousands of visitors from all over the world travel to our area to explore this beautiful park and walk across the headwaters of the Mississippi River. The closure is the park located in an area that is dependent on tourism and outdoor recreation for its economic future is a poor reflection on the state of Minnesota.

A 2002 study estimates that from \$23 (day tripper) to \$26 (overnight visitor) per day are spent in the local economy by people visiting parks. During the first two weeks of July 2011 that represents conservatively \$1,300,000 to our local economy. This money will never be recovered. (Timothy Kelly, DNR Commission Study, 2002).

Our lodging members (nearly 100 strong) have suffered cancellations because of the park closure, a problem which is further acerbated by the inability of guests to secure fishing licenses from a shut down MN DNR. These visitors represent over \$200 per day in spending in our local economy.

Lost Minnesota State Park Revenue from the first two weeks of July alone is estimated at \$1,800,000. Itasca State Park is one of the most popular attractions in our state. Itasca State Park averages 1000 over night visitors per

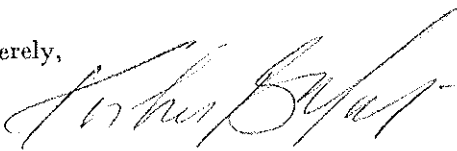
day in July and 3500 to 5000 day visitors. Itasca State Park revenue per week in July averages over \$150,000. These visitors have been turned away and may never return. Visitors that were forced out of their campsites over Independence Day week will remember that negative experience for **over 25 years**. (University of Minnesota Tourism Center)

The Park Rapids Lakes Area has been a Minnesota family vacation destination since the turn of the 20th century. The Jefferson Highway, built in about 1915, now US Highway 71, bisects our great nation and was routed to pass through Park Rapids to Itasca State Park as generations of visitors experienced the sweet air of massive pine forests, the call of the loons, the majestic flight of bald eagles and the smell of fresh fish on the grill.

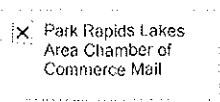
Tourism is an **11 Billion Dollar Industry** in Minnesota generating \$679 million in state sales tax. The leisure and hospitality industry accounts for 15% of Minnesota's sales tax. Explore Minnesota Tourism estimates that for every dollar expended on tourism marketing, \$4.60 is returned in state and local taxes, \$20.40 in wages, \$53 in gross wages. The MN DNR has expended significant money and effort in the last two years to increase visitation to our state parks. For each dollar spent, it will probably take \$10 to \$100 to get visitors to try us again.

I respectfully request the immediate re-opening of Itasca State Park.

Sincerely,



Katharine B. Magozzi, Executive Director  
Park Rapids Lakes Area Chamber of Commerce



Katie Magozzi <katie@parkrapids.com>

62 CV-11-5203

### Vacation

9 messages

Lyle Little <llittle@supremeradio.com>  
Reply-To: llittle@supremeradio.com  
To: katie@parkrapids.com

Sun, Jul 10, 2011 at 7:46 AM

My Brothers and I have been planning our dream vacation for over a year. I talked them into coming to Minnesota and particularly Park Rapids area due to the fact that I have been there several times and have had a wonderful time each trip. You have such a beautiful location. Small enough to feel right at home but large enough to have everything we could need to have a great vacation. We have reservations at one of the local resorts and have been counting down the days till it is time to head North.

I know the State Shutdown is out of the control of the local chamber but I was wondering what your stance is on this issue. Our resort owner said not to worry about the suspension of the license sales and that the license regulations weren't being enforced. Our main objective for coming to Minnesota is fishing your beautiful waters. We are not the kind of people that take the law lightly and don't want to travel 12 hours to be looking over our shoulders the whole time. I know this puts you in an awkward position but what would you do? We are leaving Friday July 15 and plan on spending a week in your community. Thank You

--

(309)368-0480  
[llittle@supremeradio.com](mailto:llittle@supremeradio.com)

Katie Magozzi <katie@parkrapids.com>

Mon, Jul 11, 2011 at 8:05 AM

To: Representative Larry Howes <rep.larry.howes@house.mn>, David Hancock <rep.david.hancock@house.mn>, Senator Rod Skoe <Sen.Rod.Skoe@senate.mn>, Chris Carlson <chris.carlson@state.mn.us>

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Katharine B. Magozzi  
Executive Director  
Park Rapids Lakes Area Chamber of Commerce  
1204 Park Avenue South, PO Box 249  
Park Rapids, MN 56470  
Voice: [218-732-4111](tel:218-732-4111) or [800-247-0054](tel:800-247-0054)  
Cell: [218-252-4111](tel:218-252-4111)  
FAX: [218-732-4112](tel:218-732-4112)  
[katie@parkrapids.com](mailto:katie@parkrapids.com)

[www.parkrapids.com](http://www.parkrapids.com)

The Park Rapids Lakes Area. A Beautiful Place...A Different Pace.

Home of the Mississippi Headwaters at  
[World Famous Itasca State Park](#)

Katie Magozzi <katie@parkrapids.com>  
To: llittle@supremeradio.com

Mon, Jul 11, 2011 at 8:08 AM

Dear Lyle,

Thank you for your email.

I sincerely appreciate your compliments about the Park Rapids Lakes Area. I will check with our county regarding enforcement of fishing licences during the shutdown this morning and get a email back to you today.

We certainly want to make your vacation all that it can be!

Sincerely  
Katie  
[Quoted text hidden]  
[Quoted text hidden]

Larry Howes <rep.larry.howes@house.mn>  
To: katie@parkrapids.com

Mon, Jul 11, 2011 at 8:09 AM

I would come and enjoy. The DNR is not issuing tickets for no license. They are giving warnings and when the shutdown is over will send you notice to then buy your license. If you don't buy it then, there would be a fine.

Larry

Sent from my iPhone

On Jul 11, 2011, at 8:05 AM, "Katie Magozzi <katie@parkrapids.com>" <katie@parkrapids.com> wrote:

> ----- Forwarded message -----  
> From: Lyle Little <little@supremeradio.com>  
> Date: Sun, Jul 10, 2011 at 7:46 AM  
> Subject: Vacation  
> To: katie@parkrapids.com  
>  
>  
[Quoted text hidden]  
> "World Famous Itasca State Park"  
>  
> \*

Katie Magozzi <katie@parkrapids.com>  
To: little@supremeradio.com

Mon, Jul 11, 2011 at 8:13 AM

Dear Lyle

Here is the response I received from the state regarding fishing licenses:

I would come and enjoy. The DNR is not issuing tickets for no license. They are giving warnings and when the shutdown is over will send you notice to then buy your license. If you don't buy it then, there would be a fine.

Please contact me with any other questions you may have

\  
Sincerely

Katie  
[Quoted text hidden]  
[Quoted text hidden]

Lyle Little <little@supremeradio.com>  
Reply-To: little@supremeradio.com  
To: Katie Magozzi <katie@parkrapids.com>

Thu, Jul 14, 2011 at 2:56 PM

[Quoted text hidden]

<http://www.startribune.com/local/125493163.html>

After seeing this in your local newspaper I regret to inform you that we are taking our vacation dollars to Wisconsin. This is no reflection on you or your local businesses and resorts just your ignorant politicians. We don't feel we could enjoy ourselves looking over our shoulders wondering if a DNR officer is waiting around every corner. After coming up to your area many times in the past I'm going to miss it but hope some day your elected officials start realizing who really elects them and pays their salaries. Thank You for your time and assistance.

--  
Lyle Little  
20 SE 4th St.  
Galva, IL 61434  
(309) 368-0489  
[little@supremeradio.com](mailto:little@supremeradio.com)

Katie Magozzi <katie@parkrapids.com>  
To: little@supremeradio.com

Fri, Jul 15, 2011 at 7:30 AM

# COBORN'S LAKE ITASCA TOURS, INC.

FILED  
Court Administrator

On Board the Historic 1948 "Chester Charles II"

Est. 1985

JUL 18 2011

Main Office:  
54725 Sunset Street  
Osage, MN 56570  
218-573-2216  
info@lakeitascatours.com

Boat Location:  
Itasca State Park  
Port of Douglas Lodge  
218-266-3660

By     Deputy

62-CV-11-5203

Dear Special Master:

My husband and I own Coborn's Lake Itasca Tours Inc. We provide daily naturalist narrated tours to the headwaters of the Mississippi River on board the 141-passenger "Chester Charles II". The "Chester Charles" is a 40-ton all-weather coast guard documented vessel. We purchased this business from my husband's parents in 2008. The business was founded and has been in the family since 1985.

The government shutdown has had a devastating effect on our small business because we are located inside Itasca State Park. We have 20 weeks during the year to which we must earn all of our annual income. The Fourth of July weekend through mid August has historically been our busiest weeks and is a large percentage of our annual sales. The loss of income as a result of the government shutdown cannot be made up.

We have a "Public Excursion Tour Boat Concession Agreement" with the State of Minnesota through its Commissioner of Natural Resources, Division of Parks and Trails. As part of this contract, we pay a percentage of our gross sales to Itasca State Park on a weekly basis. The State does not incur any expenses on our behalf. We are completely self-supporting. Our contract with the State requires the State to notify us by written notice 30 days prior to cancellation of our contract. We received written notice dated and postmarked on June 24<sup>th</sup> that our contract would be affected by the State shutdown.

We have a significant financial investment in this business. We have loan payments due for loans we took out to purchase this business and for our operating line of credit. We have insurance and other payments due. All of these payments must be made regardless of whether we are in operation or not. Much of the money that we have paid for advertising has now gone to waste. Last fall, we purchased a 30-passenger bus to shuttle our tour boat guests to the tour boat as well as to the various attractions within Itasca State Park. We purchased the bus in anticipation of increasing our sales. The bus was projected to also have a beneficial impact to Itasca State Park by bringing in more group visitors. With no revenue coming in to pay for the costs of the bus, we are now facing the hard reality that we may have to sell the bus without even knowing whether this could have been successful for both us and Itasca State Park.

We were looking forward to our best season yet due to the amount of group reservations and private charters for weddings and family reunions along with our normal daily tours. We have received several cancellations due to the State shutdown. We have had to refund the deposits made on these reservations.

We believe that there will be residual negative effects to our business due to the State shutdown. Even if the legislative issues are resolved and Itasca State Park opened tomorrow, it would be unrealistic to believe that the Park would regain its normal capacity of visitors in a short amount of time. The time it will take to regain "normal" visitor levels will not happen overnight. Therefore, our business will continue to suffer financially in the weeks and maybe even months ahead. |

Visit us at: [www.lakeitascatours.com](http://www.lakeitascatours.com)

question whether the campers that were "kicked out" of the Park with little to no warning will *ever* return to our beautiful park.

Not only is this a hardship to the financial success and continuity of our business, we rely on the income from my husband's wages to support our family of five. Because he is self-employed, we cannot apply for unemployment compensation. We also employ four individuals. These individuals have had to make ends meet without a paycheck. For all of our employees, it is their only source of income in the summer months. We may even lose some of these employees to other jobs they may be forced to take because of our business being unable to operate.

The emotional stress has also taken a toll on our family and our employees. My husband and I have lost countless hours of sleep wondering how we are going to sustain a business that has been in our family for 27 years with no revenue coming in. We have suffered from consequences that are beyond our control. We have been fined daily and our livelihood has been held hostage by the decisions of people that we ironically have elected to support us and the people of Minnesota.

Itasca State Park is the main attraction in our area and draws in over a half a million people annually. Closing the State Park has caused countless financial burdens to not only our business and our employees, but to other businesses that rely on tourism.

Please petition for the State to open Itasca State Park. We ask for your help in gaining restitution for our financial loss. We also ask for your help in revising our contract with the State in allowing our privately owned business to continue to operate should these circumstances ever arise again.

Sincerely,

Jeanie M. Coborn, CFO

Visit us at: [www.lakeitascatours.com](http://www.lakeitascatours.com)



Minnesota Council



MN Council Office  
622 Selby Ave.  
St Paul, MN 55104  
T: (651) 251-1495  
F: (651) 251-1496  
W: himinnesota.org  
info@himinnesota.org

MN Ironman Bike Ride  
W: ironmanbikeride.org  
rideinfo@ironmanbikeride.org

Mississippi Headwaters Hostel  
Itasca State Park  
27910 Forest Lane  
Park Rapids, MN 56470  
T: (218) 266-3415  
mhhostel@himinnesota.org

MEMORANDUM

62-CV-11-5203

Date: July 19, 2011

FILED  
Court Administrator

To: Kathleen Blatz  
Special Master  
State of Minnesota

JUL 18 2011

By Jon Ridge Deputy

From: Jon Ridge  
Executive Director  
Hostelling International-Minnesota

Dear Kathleen,

I am writing to express our need for the immediate opening of **Itasca State Park** due to our loss of revenue because of the state budget shutdown.

We operate the **Mississippi Headwaters Hostel** within Itasca State Park. Our budget accommodations serve school and church groups, girl scouts, recreational clubs and many families. We are good partners with the DNR and the state park.

We are a non-profit organization that relies on the summer revenue we receive through our operation. The month of July alone represents over 25% of our operating budget. We have already lost all July income due to the Park's shutdown. This puts us in jeopardy of closing our operation.

We certainly are not alone. Every business near Itasca State Park relies on its summer customers. Many businesses are now struggling. The economic hit we are taking has been made far greater because of the July timing.

Please consider a ruling to open **Minnesota State Parks** and especially Itasca. We need your help today. Thank you.

Sincerely,

Jon Ridge  
Hostelling International-Minnesota

62-CV-11-5203

FROM : ITASCA JUNCTION

FAX NO. : 2182663384

Jul. 18 2011 10:52AM P1


# Itasca Junction

34510 US 71 Laporte, MN 56461 218-266-3377

FILED  
Court Administrator

JUL 18 2011

July 17, 2011

By  Deputy

## OPEN LETTER REGARDING MINNESOTA STATE SHUTDOWN

To whom it may concern:

The State shutdown has reached day 17. As a small business owner located adjacent to Itasca State Park, I must voice my concern regarding the viability of small businesses dependent on summer tourist traffic.

We have invested our time and resources to build and operate our establishments for the purpose of providing product and service(s) to the surrounding area and the *anticipated* visitors who travel here to enjoy Itasca State Park.


Closing the state parks entirely (not allowing any vehicle traffic) including the *public boat accesses was one of the most inane decisions made!* This has had a devastating effect on my convenience store/gas station as well as the entire area.

We provide groceries, gas, bait and café services. Without the added 1,500 to 2,000 people each day, the impact on our business has put us at an enormous disadvantage for viability through this winter season. In the "Northland" we have, maybe, 2 months in the summer for a *bump* to help us get through the winter.

Our gas sales are down by 50% as well as our 'inside' sales; the affected inside sales are a direct ratio to the traffic for fuel. Thus, I cannot purchase as I normally would, my suppliers are affected; so the domino effect continues. We would not get paid if the doors were not open....and yet, the State of Minnesota expects us to collect sales tax?? If the government does not operate, payment is still expected?!....**from unpaid tax collectors, no less!!**

Our situation here in the 'Northland' is in dire need of resolution to this ridiculous impasse. Our livelihood and viability depend on the cooperation of ALL parties involved.

Respectfully,



Margaret Abraham, Itasca Junction C-Store



X Park Rapids Lakes  
Area Chamber of  
Commerce Mail

FILED  
Court Administrator

Katie Magozzi <katie@parkrapids.com>

JUL 18 2011

**Govn shutdown**

1 message

By jl Deputy

62-CV-11-5203

Bear Paw Resort <Vacation@bearpawresort.com>  
To: Katie Magozzi <katie@parkrapids.com>

Mon, Jul 18, 2011 at 12:54 PM

Joel and I (Tracey) Hays are Resort owners of Bear Paw Resort on Two Inlets Lake 15 miles north of Park Rapids and only 10 miles south of the Itasca State Park south entrance. The Government shutdown let alone the horrific timing of the year has been detrimental to our business. Many of our guests specifically come to our Resort with the plans to spend a day or two at the park and many are very bitter. Instead of the friendly greeting on check-in day and the excitement to be here, they add "well so much for going to Itasca, that was one of the main reasons we vacationed here." Thankfully none have cancelled as of yet but it has taken much extra effort on our part to do "your" (govn) damage control, of which we shouldn't have to do any, to brighten their attitude for vacation. And then, what openings we had left this month, that we could have possibly filled has proven less likely now without the Itasca State Park attraction! So in turn this has cost us income as well. We went through and created many emails with links and info about obtaining fishing license to try to keep our guests informed and to prepare them of the possible shutdown. We don't have time during the peak season to be adding these steps to our every day jobs as it is. For all of this to happen on the Peak Holiday of all times, especially for Itasca was a huge financial loss. We had perfect weather, and the 4th fell on a Monday making the perfect long weekend, and they are always booked full. So sad that consideration of the downfall of this shutdown wasn't thought through more carefully especially during the current economic times. What a disappointment.

Joel & Tracey Hays  
Bear Paw Resort  
31926 County Highway 50  
Park Rapids, MN 56470

FILED  
Court Administrator

July 18, 2011

To: whom it may concern:

JUL 18 2011

62-CV-11-5203

By if Deputy

State Parks need to be opened to service the tourism industry in Minnesota. Our resort, Bert's Cabins, has been adversely affected by the State Park closure in particular Itasca State Park. We have had cancellations for cabins plus are unable to book future reservations due to the closure.

Guests are disgruntled with the lack of being able to ~~buy~~ <sup>purchase</sup> fishing licenses and experience the headwaters of the Mississippi River. To quote a guest from Colorado "it looks like Minnesota does not want tourist." They were extremely disappointed after traveling from Colorado to find they were barricaded from Parks as well as rest stops.

This is just one of numerous complaints and some guests have vowed never to return to Minnesota. Guests plan their vacations in advance and come from all over the world only to find ~~the~~ ~~head~~ Itasca State Park closed and the headwaters of the Mississippi barricaded.

July 18, 2011

this closure of Parks will have a negative effect on tourism for years to come

In a seasonal business such as ours, the loss of revenue in July and August is particularly significant and there is no way to regain those days we generally have full occupancy the first half of July and this year we haven't taken the vacancy sign down since June! This in turn has a negative ripple effect on any business relating to tourism from linen suppliers, to pick your own berries, to hardware suppliers, seasonal employees etc.

State Parks need to be reopened as soon as possible for the good seasonal small business and revenue and jobs they provide and to sustain Minnesota as a worldwide tourism destination.

Bone + Pat Ewenwall  
Berts Cabins  
15782 Wilderness Drive  
Lake Itasca, MN 56470  
218-266-3312

## Channing, Christopher

---

**From:** Katie Magozzi [katie@parkrapids.com]  
**Sent:** Monday, July 18, 2011 4:25 PM  
**To:** Channing, Christopher; dave.iverson@state.mn.us; rebby.lee@state.mn.us  
**Subject:** Fwd: state govt shutdown

Please add to the Park Rapids Petition  
Thank you  
Katie

----- Forwarded message -----

**From:** Jackie <jackies@prmoninn.com>  
**Date:** Mon, Jul 18, 2011 at 4:22 PM  
**Subject:** state govt shutdown  
**To:** [katie@parkrapids.com](mailto:katie@parkrapids.com)

Hello Katie,

I wanted to take this moment to give you an update on how the state government shutdown has affected the business here at the hotel. Compared to last year at this time, we are down 14% in occupancy. Historically, July is a month in our business that continually does better than the previous July. We had a decent month in June of this year. We were selling out a lot of nights and it was exciting to see people travelling again after all that has gone on with the economy. On June 30<sup>th</sup> and July 1<sup>st</sup> we were saturated with cancellations from people stating they weren't coming due to Itasca State Park being closed. This was the first year in a long time that we were not sold out on the fourth of July. This is so dreadfully devastating to our community since we are so dependent on our summer tourism. We have a small window of time that our businesses actually make some money before everything slows down. Please help in any way you can to persuade our government to reopen Itasca State Park.

Sincerely,

*Jackie Senenfelder*

*General Manager*

*Park Rapids C'mon Inn*

*218-732-1471*

[www.cmoninn.com](http://www.cmoninn.com)

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Katharine B. Magozzi  
Executive Director  
Park Rapids Lakes Area Chamber of Commerce  
1204 Park Avenue South, PO Box 249  
Park Rapids, MN 56470  
Voice: 218-732-4111 or 800-247-0054  
Cell: 218-252-4111  
FAX: 218-732-4112  
[katie@parkrapids.com](mailto:katie@parkrapids.com)

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