

MINUTES OF A PUBLIC HEARING CONDUCTED BY THE ST. LOUIS COUNTY PLANNING COMMISSION HELD THURSDAY, OCTOBER 10, 2019, ST. LOUIS COUNTY PUBLIC WORKS, LOWER-LEVEL TRAINING ROOM, VIRGINIA, MN.

9:00 A.M. – 9:45 A.M.

11:00 A.M. – 1:38 P.M.

Planning Commission members in attendance: David Anderson
Steve Filipovich
Daniel Manick
Commissioner Keith Nelson (until 11:50)
Sonya Pineo, Chair
Dave Pollock
Roger Skraba
Ray Svatos
Diana Werschay

Planning Commission members absent: None

Decision/Minutes for the following public hearing matters are attached:

NEW BUSINESS:

- A. YMCA of the Greater Twin Cities – a conditional use permit to expand an existing resort to include on-sale liquor sales as a Commercial Planned Development-Class II.
- B. St. Louis County Zoning Ordinance 62, a public hearing to consider comments on the proposed permitting standards and amendments regarding Short Term Rentals.

OTHER BUSINESS:

Motion by Nelson/Skraba to approve the minutes of the September 12, 2019 meeting.

In Favor: Anderson, Filipovich, Manick, Nelson, Pineo, Pollock, Skraba, Svatos, Werschay - 9

Opposed: None – 0

Motion carried 9-0

NEW BUSINESS:

YMCA of the Greater Twin Cities

The first hearing item is for the YMCA of the Greater Twin Cities, a conditional use permit to expand an existing resort to include on-sale liquor sales as a Commercial Planned Development-Class II. The property is located in S12, T61N, R13W (Unorganized). *Mark Lindhorst*, St. Louis County Senior Planner, reviewed the staff report as follows:

- A. The request is to allow on-sale liquor for resort clients.
- B. A conditional use permit was issued in 2018 for the resort.
- C. The liquor would be served out of the snack shack.

Mark Lindhorst reviewed staff facts and findings as follows:

A. Plans and Official Controls:

1. Zoning Ordinance 62, Article V, Section 5.5, requires a conditional use approval for expansion of a Commercial Planned Development - Class II.
2. The property is located within the Lakeshore Development Area identified in the Comprehensive Land Use Plan. These areas are intended for new development, redevelopment of existing residential, commercial or mixed uses.
 - a. The property has historic use as a resort and received CUP approval to expand the resort and add additional cabins at the October 11, 2018 Planning Commission hearing.

B. Neighborhood Compatibility:

1. The resort is located in a Shoreland Multiple Use (SMU) zone district on a Recreational Development lake. The majority of the property surrounding the resort is public land. A Department of Natural Resources (DNR) boat landing is located on the adjacent parcel to the west.

C. Orderly Development:

1. The resort has been in operation since the 1940s. The majority of the adjacent parcels are public land. The request to add on-sale liquor sales for resort guests should have no effect on development or improvement to the surrounding area.

D. Desired Pattern of Development:

1. The proposed use is consistent with the desired pattern of development.
2. Since the area is mostly undeveloped public land, it is not anticipated that existing development will change.

Mark Lindhorst noted one item of correspondence from Meri Gauthier opposed to the request. This letter was submitted to the Planning Commission in a packet prior to the hearing.

STAFF RECOMMENDATION

In the event that the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit to allow on-sale liquor sales as an expansion of a Commercial Planned Development - Class II, the following conditions shall apply:

1. Waste shall be disposed in a manner acceptable to the St. Louis County Solid Waste Ordinance 45.
2. The applicant shall obtain a liquor license from St. Louis County.
3. The applicant shall comply with all county, state, and federal regulations.

Niki Geisler, 9089 Highway 21, Babbitt, stated that liquor would be sold from 4:00 p.m. to 8:00 p.m. Monday through Saturday. This is an opportunity for adults to gather and allow the public and their resort guests to enjoy adult beverages in a controlled area. The new Northern Lights family camp had a successful first summer. They were made aware that this new use must be open to the public. The snack shack will be fenced in and nobody would be allowed to bring the liquor outside of this area.

No other audience members spoke.

The *Planning Commission* discussed the following:

- A. Commissioner *Nelson* stated that, as the Chair of the Liquor Committee that would grant the liquor license, the YMCA would not be allowed to restrict liquor sales to resort guests only. The public would be allowed to purchase liquor.
- B. Inquired if the liquor license would require parking. Commissioner *Nelson* stated that the liquor license would not address parking. The liquor ordinance clearly identifies other improvements that need to be done, including railings and a deck to be attached to the bar.
- C. The liquor license obtained by the YMCA is a beer and wine license. The YMCA would not be allowed to have both the snack shack serving liquor as well as have anyone bring in their own liquor without a setup license. People would not be allowed to bring hard liquor into this establishment without the right license for a commercial facility.
- D. Inquired if there was a previous bar/restaurant on this property. *Jenny Bourbonais*, Acting Secretary, stated that there was no conditional use permit found on file that allowed this use.
- E. Inquired if a nonprofit organization would pay taxes. Commissioner *Nelson* stated that all applicable taxes will be paid, including liquor tax.
- F. Any expansion of commercial use related to liquor sales would require a new conditional use permit for the expansion of that commercial use.

DECISION

Motion by Skraba/Manick to approve a conditional use permit to allow on-sale liquor sales as an expansion of a Commercial Planned Development - Class II, based on the following facts and findings:

- A. Plans and Official Controls:
 - 1. Zoning Ordinance 62, Article V, Section 5.5, requires a conditional use approval for expansion of a Commercial Planned Development - Class II.
 - 2. The property is located within the Lakeshore Development Area identified in the Comprehensive Land Use Plan. These areas are intended for new development, redevelopment of existing residential, commercial or mixed uses.
 - a. The property has historic use as a resort and received CUP approval to expand the resort and add additional cabins at the October 11, 2018 Planning Commission hearing.
- B. Neighborhood Compatibility:
 - 1. The resort is located in a Shoreland Multiple Use (SMU) zone district on a Recreational Development lake. The majority of the property surrounding the resort is public land. A Department of Natural Resources (DNR) boat landing is located on the adjacent parcel to the west.
- C. Orderly Development:
 - 1. The resort has been in operation since the 1940s. The majority of the adjacent parcels are public land. The request to add on-sale liquor sales for resort guests should have no effect on development or improvement to the surrounding area.

D. Desired Pattern of Development:

1. The proposed use is consistent with the desired pattern of development.
2. Since the area is mostly undeveloped public land, it is not anticipated that existing development will change.

The following conditions shall apply:

1. Waste shall be disposed in a manner acceptable to the St. Louis County Solid Waste Ordinance 45.
2. The applicant shall obtain a liquor license from St. Louis County.
3. The applicant shall comply with all county, state, and federal regulations.
4. Any expansion of commercial use related to liquor sales would require a new conditional use permit for the expansion of that commercial use.

In Favor: Anderson, Filipovich, Manick, Nelson, Pineo, Pollock, Skraba, Svatos - 8

Opposed: Werschay - 1

Motion carries 8-1

Motion by Skraba to suspend the rules of the Planning Commission in order to allow for the Board of Adjustment to hear its two cases prior to the public hearing for the second case. The meeting was temporarily adjourned at 9:45 a.m. and restarted at 11:00 a.m.

Short Term Rentals – Zoning Ordinance 62

The second hearing item was for St. Louis County Zoning Ordinance 62, a public hearing to consider comments on the proposed permitting standards and amendments regarding Short Term Rentals. *Jenny Bourbonais*, Planning Manager, presented the background as follows:

- A. In 2012, the St. Louis County Board reviewed the vacation home rental market and decided to take no action on land use regulations.
- B. In 2015, an Emerging Market Analysis was presented to the St. Louis County Board.
 - a. Staff reviewed known rental properties to determine which zone district each rental property was in.
- C. In 2017, the St. Louis Planning and Community Development Department began development of a Land Use Report in conjunction with an updated Comprehensive Land Use Plan.
- D. In January 2019, the St. Louis County Comprehensive Land Use Plan was adopted. Public input received during its development was strongly in support of looking at ways to improve the regulation of vacation rentals.
- E. Between 2015 and 2019, the Planning Department continued to monitor the short term (vacation home) rental market and regulations throughout the state. Other nearby counties and municipalities began to regulate and permit the use.
- F. St. Louis County has important roles impacting the vacation home/short term rental market in:
 - a. Property classification and assessment
 - b. Land use administration
 - c. On-site sewage treatment compliance.
- G. Some key motivators for considering permitting standards include:

- a. Health and safety of renters, including but not limited to safe drinking water, adequate sewage treatment, facility in good repair.
- b. Consistency of other shorter term rental regulations (resorts, hotels/motels).
- c. Consideration of neighboring property owners, including but not limited to noise, parking, trash and sewage treatment.
- H. The current timeline for this project is:
 - a. May 2019 – An outline and standards were drafted by the Planning and Community Development Department. An initial discussion was had and information was presented to the Planning Commission.
 - b. June 2019 – There was a Planning Commission business meeting to discuss public outreach on draft standards.
 - c. July 9, 2019 – There was a public outreach/open house informational meeting held in the northern part of St. Louis County, located in Virginia.
 - d. July 10, 2019 – There was a public outreach/open house informational meeting held in the southern part of St. Louis County, located in Rice Lake.
 - e. August 2019 – There was a Planning Commission workshop to go over the draft standards and to set the public hearing date. The draft standards were distributed to cities, towns, tourism organizations and other interested parties. This information was also posted on the county website.
 - f. October 2019 – The Planning Commission conducts a public hearing on permitting standards and provides a recommendation to the County Board.
 - g. November/December 2019 – The County Board establishes a public hearing date to consider the permitting standards.
 - h. November/December 2019 - The County Board conducts a public hearing on the proposed permitting standards and determines the final ordinance language.
 - i. January 2020 – If approved by the County Board, the effective date could be January 2020.

Jenny Bourbonais reviewed the proposed changes to:

- Zoning Ordinance 62, Article II General Provisions, Section 2.7 Definitions
 - o Short Term Rental - A short term rental dwelling unit is defined as any home, cabin, condominium or similar building represented to the public as a place where sleeping accommodations are furnished to the public on a nightly or weekly and for less than thirty days basis for compensation and is not a planned development, commercial, as defined.
 - o Planned Development, Commercial - A use where the nature of residency is transient, short-term lodging spaces, rooms, or parcels and their operations are essentially service-oriented. For example, hotel/motel accommodations, resorts, recreational vehicle and camping parks, and other primarily service-oriented activities are commercial planned developments.
- Zoning Ordinance 62, Article V Land Use Controls, Section 5.5 Use Classification Definitions
 - o Residential Use – Class I – A category of uses that includes, but is not limited to: hunting shacks, residential dwellings (less than five units or sites), seasonal residences and accessory dwellings and structures for personal use without compensation.

- Residential Use – Class II (Short Term Rental) – A category of uses that includes, but is not limited to: hunting shacks, residential dwellings (less than five units or sites), and seasonal residences for short term rental, as defined in Article II, Section 2.7.
- Zoning Ordinance 62, Article VI Administrative, Performance and Conditional Use Standards, Section 6.11 Accessory Dwelling Administrative Standards
 - Proposed to eliminate the “V” that would allow variance due to the fact that use variances are not allowed. The Board of Adjustment has consistently deemed anything over the square footage allowed as a second principal structure and not an “oversized” accessory dwelling.
 - When Zoning Ordinance amendments were made to allow for accessory dwellings, the intent was for those structures only to be used by residents of the property. For example, to allow as a structure for the use of relatives to live independently, but near family; or to allow for use as a bunkhouse.
 - During the course of public review, there was concern that accessory dwellings would turn into essentially short term rentals. To accommodate for the public concern, the Planning Commission added language that would prohibit commercial use or rental of accessory dwellings. Now that the Planning Commission is considering permitting short term rentals, it is proposed the property owners be able to rent an accessory dwelling with the rest of the property, but not separately from the rest of the property.
 - An accessory dwelling shall not be used for commercial or rental purposes, unless a permit for short term rental is applied for and on file as part of the overall property for rent. Accessory dwellings shall not be used for rental as separate from the overall property.

The “use chart” utilized by staff in handouts and on the website has been updated to include both Residential Use – Class I and Residential Use – Class II with all zone districts.

In September 2019, there were an estimated 632 short term rental listings with 537 unique rental units throughout St. Louis County, including in municipal jurisdictions. Of these, 344 rentals listings and 287 unique rental units were within the St. Louis County zoning jurisdiction. This information was based off of four popular rental listing websites. Counting these unique rentals, there was a 9.82 percent growth since last year based on unit growth.

Residential (RES) Zone District

Every rental property would need to get a permit and not be grandfathered in. The question is whether or not a RES zone district should require a conditional use permit or a performance standard permit. A third option would be to not allow this use within a RES zone district.

If approximately 300 rental listings are located within St. Louis County’s zoning jurisdiction and half of them are located in a Residential (RES) zone district, then about 150 cases per year would be heard by the Planning Commission if a conditional use permit was required for a RES zone district. If staggered throughout the year, an additional 12 cases per month could be required to be heard.

In lieu of requiring conditional use permits for every rental property located in a RES zone district, staff is suggesting a performance standard permit with additional standards. If standards cannot be met, a conditional use permit may be applied for. In a RES zone district, private residential use should be considered preeminent over non-residential uses. Therefore, in a RES zone district, the following additional standards shall be met if a performance standard permit were required:

- Rental dwelling unit must be located on a parcel that meets the minimum zoning requirements.
- There shall be a minimum buffer of at least 500 feet (as measured from property lines) between each short term rental use.
- If a conditional use permit is required and issued on a parcel in a RES zone district, it shall not be transferrable upon new ownership of a property where a permit was issued. This is not allowed as a standard on a conditional use permit per MN state statute as the use would stay with the property; however, this would be allowed as a standard of a performance standard permit.
- All property lines shall be located by a licensed land surveyor, unless there is written agreement filed with the Planning Department between the adjoining property owner and short term rental permittee/owner/operator.
- Adequate vegetative screening shall be required to screen the use from any shoreline and adjacent property owners.
- If vegetative screening is not sufficient, the Department Director may require solid fencing that reduces the visual impact of a use upon adjacent structures or residential uses.
- Notice shall be sent to adjoining property owners by the Department. The intent is to provide neighboring properties with contact information of the short term rental permittee/owner/operator.

General Zone District Standards (for all zone districts)

- The permittee/owner/operator shall post within the rental unit the rules and regulations and emergency contact information for police, fire, hospital, septic tank pumper, and the permittee/owner/operator.
- The permittee/owner/operator shall provide the St. Louis County Planning and Community Development Department Director with current contact information for person(s) responsible for property management.
- Aquatic Invasive Species (AIS) prevention guidelines must be posted for watercraft use.
- The permittee/owner/operator shall provide a visual demarcation of the property lines.
- All local, state and federal requirements shall be followed for taxing, licensing, permitting and other applicable requirements.
- If a property is used solely for rental purposes, then it shall be deemed a Commercial Use-Class II and is subject to ordinance requirements regarding commercial use.
- A permit for a short term rental use shall not be transferrable upon new ownership of a property where a permit was issued.
- Any violation of this ordinance shall deem a short term rental permit null and void.

Conforming Lots

- Any rental dwelling unit must be located on a conforming lot or an existing lot of record.
- No more than one rental dwelling unit per parcel may be rented. Additional occupancy by use of recreational vehicles, tents, accessory structures, garages, boathouse, pole barn,

shed, fish houses or similar structure is not allowed. Accessory dwellings shall not be rented as per Zoning Ordinance 62, Article VI, Section 6.11.

- More than one rental dwelling unit on the same parcel or single units or contiguous parcels under a common ownership shall require a conditional use permit where the use is conditionally permitted or shall constitute a resort and must meet the applicable standards.
- The St. Louis County Planning and Community Development Department Director may impose additional standards or conditions that will reduce impacts of the proposed use on neighboring properties.
- These standards or conditions are included but not limited to fences, vegetative screening along property lines and/or shoreline, and quiet hours.

Licenses

- The permittee/owner/operator shall obtain and maintain an applicable Minnesota Department of Health Lodging License and other applicable licenses.
- A copy of the current license(s) shall be provided to and on file with the County prior to the issuance of a permit by the County.

Taxes

- A Minnesota tax identification number and/or other applicable identification numbers must be provided to the St. Louis County Planning and Community Development Department Director prior to issuance of a permit.

Septic/Solid Waste

- Sewage treatment must comply with St. Louis County Subsurface Sewage Treatment System (SSTS) Ordinance 61, or its successor or replacement.
- Disposal of solid waste (such as garbage) must comply with St. Louis County Solid Waste Ordinance 45, or its successor or replacement.

Parking

- The site shall provide on-site parking sufficient to accommodate the occupants of the rental dwelling unit.
- No person shall, for the purposes of camping, lodging, or residing therein, leave or park a vehicle or motor vehicle on or within the limits of any road or on any road right-of-way.

Conditional Use Permit Required

- Residential Use – Class II (Short Term Rental): A category of uses that includes, but is not limited to: hunting shacks, residential dwellings (less than five units or sites), and seasonal residences for short term rental is allowed in the following zone districts: RES, COM and SENS with a conditional use permit. The standards above shall apply.

Jenny Bourbonais noted correspondence received between August and September 25, 2019, including 30 letters presented to the Planning Commission in their packet prior to the hearing. Sixteen additional items of correspondence received between September 25 and October 9, 2019 were presented to the Planning Commission prior to today's public hearing.

Of the 30 written comments received from August to September 25, 2019:

- About 43 percent were in favor or in support of regulations on short term rentals
- About 20 percent were against or opposed to regulations on short term rentals
- About 20 percent requested more information and were neither for nor against
- About 13 percent questioned the regulations
- About 3 percent were not applicable or were received from outside the St. Louis County zoning jurisdiction

Of the 16 written comments received between September 25 and October 9, 2019:

- About 50 percent were in favor or support of regulations on short term rentals
- About 13 percent were against or opposed to regulations on short term rentals
- About 13 percent requested more information and were neither for nor against
- About 19 percent questioned the regulations

For all public comments, approximately 50 percent were in favor, 17 percent were against, 15 percent requested more information, and 19 percent responded with questions.

The floor was opened up for public comment.

Paul and Lisa Klassen, 9185 Pequaywan Lake Road, Duluth, stated they purchased property on Pequaywan Lake because they wanted a lake home and put all of their money into the home that they built. They have a short term rental property next door. The property owner does not live in the area and rents out the property on a continual commercial basis. They have had issues with the rental turnover, theft, retaliation and trespassing. They have done what they could to mediate the situation and do not know what else they can do. There are up to 1,500 people renting per year and as many as 700 dogs. The rental property owners have been partially receptive. There are six short term rental properties on Pequaywan Lake, which is 410 acres in size. Of these six, five are different owners.

The current proposed standards do not address all their issues. This type of rental property is not fair to the area residents that have to put up with this. This is a commercial use in a residential area.

Sue Lyons, 4425 Sunshine Lake Road, Duluth, stated that the proposed ordinance standards are not strong enough. She is the secretary of the Sunshine Lake Association, which is opposed to short term rentals, especially on Sunshine Lake. There is a concern that adding any short term rental standards could alter lakes that do not currently have public access. She is concerned about the spread of aquatic invasive species, the additional sound and property values. There is no reason to have a commercial business in a residential area. She requested that all lake property owners receive more public notification. She expressed surprise that resort owners were not more up in arms about this proposal.

John A. Wilson, 9421 West Branch Road, Duluth, stated he is a developer/seller of lake property. These areas are residential and adjoining property owners should not have to put up with issues as those who live around rental properties have. His attorney is looking to see if language could be added into the covenants to prevent rental properties that he sells. Residential areas should be residential.

Douglas Dressen, 9241 Pequaywan Lake Road, Duluth, stated that Pequaywan Town meetings are lasting far longer because of the short term rental issue. There has been concerns of noise and light pollution. He supports that if the zoning is residential, it should stay residential.

Blaine Olsen, 8431 Bayview Road, Cook, stated that he owns property on Lake Vermilion. The only way he could afford lake property was to rent it out. He also manages property for other landowners. He supports permitting for short term rentals. People need to be good managers or have a property management license. This is a 24 hour a day, 7 day a week job. Property owners that rent their properties should be in the area so that they can better respond to issues from adjoining property owners. If there is a presence and the owner is present, there could be fewer problems. Poor management is how problems start. He currently limits the occupancy allowed and has those rules posted before these are “booked.” He does two site visits, once to turn over the property and once midweek to handle solid waste. He prefers weekly rentals. He collects lodging and sales tax. He has had good, positive experiences with renters.

When he first started renting the property out, he was unaware that he needed to have a license. The license required for the management is a real estate license under a broker.

Mark Casey, City Administrator of Proctor and lakeshore homeowner, MN, stated that Proctor is dealing with this issue as well. How to manage rental properties in a residential area has also been a concern. The question is to allow property renters the time to fulfill their current rental schedule and do something to mediate their legal standard. One concern has been with parking, especially since property owners already have vehicles. To add additional parking could cause problems. If short term rentals are allowed, could they be overregulated to the point where they cannot be enforced?

Christine Schlotec, 7421 East Crescent Drive, Britt, stated she has had a short term rental for two to three years. Her property is in a Shoreland Multiple Use (SMU) zone district. She has a large house on the lake which does allow room for a larger group of people. She has the property homesteaded and rents the house out for half of the time. She also lives on the property and is able to handle any issues that arise. She has rental commitments a full year out. If there are regulations that restrict where a short term rental is allowed, any renter should have a year to fulfill their commitments.

Health and safety are the key factors in a short term rental. She does not believe short term rentals should be regulated further than what hotels/motels are. Any renter would also have the potential to bring money into the community.

When she first started renting the property, she did not know what she was doing. Over time, she has learned. There are rules posted in the house and every renter goes over the rules. The homeowner should be doing their due diligence to protect the neighbors. There are times when the renters will be blamed for something they are not doing. However, being on the property allows visibility.

She does have concerns regarding the Department Director's discretion regarding what a piece of property can do and asked what shoreline vegetation would do to protect people. This process should be fair, equal and nonbiased.

Michael Warwas, 4106 Lane 49, Aurora, stated that he has a short term rental located near the Sax Zim bog area. This is a property not located on a lake, but in the country. This is an affordable alternative for those that cannot afford a lake home vacation. Anyone who rents this house could also bring good tourism to the area. Renting the home was able to provide income and the short term allows them to make improvements/repairs to the dwelling between renters. He had one bad experience with a renter when the house was left in poor condition. He was able to not recommend this renter so they are unable to book with him again.

He agrees with the proposed standards. He has a compliant septic system, but here are times there will be more people than what the system is sized for. He would ask that the occupancy be extended if septic systems pass inspection. They have one neighbor that lives across the road that can see what is going on at the house. This neighbor has not reported any issues. They live about 20-25 minutes from the property and are able to respond to any issues if needed. The website they list the rental on does require them to equip fire extinguishers, smoke and carbon monoxide detectors. He noted that a small amount of regulation could be costly and be too much because of their mortgage and the small profit margin.

Gina Yoder, no address given, stated that this is a huge decision to be made for people that may not have been notified that this was going on. It would not be right to regulate the little people; it would be right to regulate those that do not live in the area.

No other audience members spoke.

The *Planning Commission* discussed the following:

- A. There should be a permit number and permittee/owner/operator name posted on each short term rental property. Any neighboring property owner would be able to contact the permittee/owner/operator. However, it is not known what 911 standards are allowed for any signs to be posted at the front of the property.
- B. Commissioner *Nelson* added that these rental properties should be added to the parcel overlay so that 911 is aware that this property is a rental property.
- C. If rental properties should be allowed to be grandfathered in without a permit and standards. *Jenny Bourbonais* stated there was no discussion as to whether or not a rental property could be grandfathered in. The decision is whether or not the permit required is a conditional use permit or a performance standard permit.
- D. If the adjoining property owners have an issue with the short term rental property, the permit should be a conditional use permit and brought before the Planning Commission. *Jenny Bourbonais* noted that a performance standard permit is issued with the standard that adjoining property owners are notified. If there are issues brought up or standards are not being met, this could trigger a conditional use permit.
- E. Commissioner *Nelson* noted that the number of short term rental units in St. Louis County jurisdiction may decrease because there has been no prior regulation and any additional standards would require expenses that have not been previously incurred. *Jenny*

Bourbonais added that some lots may not be able to meet general standards of a short term rental. This could reduce the number of short term rental properties.

- F. The number of short term rental units may be lower than what actually exists.
- G. These standards are for short term rentals of 30 days or less, not for those that stay on the property long-term.
- H. There is no balance in these standards between the properties that rent continuously with weekly turnover and those that rent for one or two weekends per year. Those that do not do commercial rentals should have a say instead of those that rent their properties commercially. It makes no sense to have someone that rents one or two weekends a year to get a license and a permit. *Jenny Bourbonais* stated these smaller operations would be harder to track down. Once they are found, staff would send a letter saying that there are new standards/permits required.
- I. Commissioner *Nelson* stated that any property that derives income should be considered a commercial property. MN Department of Finance rules address this in the taxation of these properties.
- J. It would be difficult to have approximately 12 conditional use permits to review per month for this use. It would also be difficult to approve the use that would meet all conditional use permit standards if none of the adjoining property owners support this use.
- K. The Environmental Services Department will work with the state to determine the occupancy limit and what the current systems can handle for any short term rental property. That septic permit will determine the occupancy and how many persons can be allowed to stay within the short term rental property. The state would also enforce any building code violations since St. Louis County does not enforce the state building code.
- L. Written authorization would need to be obtained from any adjoining property owner that shares an existing driveway with a short term rental property. This is addressed elsewhere in Zoning Ordinance 62.
- M. Inquired if a township can be stricter on the standards. Townships that administer their own zoning would have to be at least as restrictive or more so and cannot be less restrictive.
- N. The Department Director does not have sole discretion on making all decisions. The Director would make the ultimate decision based on staff consideration. There is a variance process for an appeal if the Director's decision is questioned.
- O. There was notice given via newspaper legal notice, GovDelivery newsletters and media outlets.

DECISION

Motion by Anderson/Manick to add an additional 30 day public comment period and to have the public hearing set for December 2019.

In Favor: Anderson, Filipovich, Manick, Pineo, Pollock, Skraba, Svatos, Werschay - 8

Opposed: None - 0

Motion carries 8-0

Motion to adjourn by Manick. The meeting was adjourned at 1:38 p.m.