

MINUTES OF A PUBLIC HEARING CONDUCTED BY THE ST. LOUIS COUNTY PLANNING COMMISSION HELD BOTH VIRTUALLY VIA WEBEX AND IN-PERSON AT THE ST. LOUIS COUNTY GOVERNMENT SERVICES CENTER, LIZ PREBICH ROOM, VIRGINIA, MN ON THURSDAY, JUNE 9, 2022.

9:00 AM – 11:09 AM

Planning Commission members in attendance: Tom Coombe
Steve Filipovich
Dan Manick
Pat McKenzie
Commissioner Keith Nelson
Dave Pollock
Roger Skraba, Chair
Ray Svatos
Diana Werschay

Planning Commission members absent: None

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

NEW BUSINESS:

- A. Jenna Asuma, a conditional use permit for a Commercial Planned Development Use - Class II.
- B. Florence Alsaker, a conditional use permit for a general purpose borrow pit as an Extractive Use – Class II.
- C. Lake Vermilion Houseboats Inc., a conditional use permit for a Short Term Rental as a Residential Use - Class II.

OTHER BUSINESS:

Motion by Manick/McKenzie to approve the minutes of the May 12, 2022 meeting.

In Favor: Coombe, Filipovich, Manick, McKenzie, Nelson, Pollock, Skraba, Svatos, Werschay – 9

Opposed: None – 0

Motion carried 9-0

St. Louis County Planning Commission Bylaws

Jenny Bourbonais, Acting Secretary, handed out the latest red-line copy of the bylaws and stated the bylaws were edited to remove variance language. While nothing has really changed, the bylaws are updated to remain current.

Motion by Svatos/Werschay to approve the 2022 Planning Commission bylaws.

In Favor: Coombe, Filipovich, Manick, McKenzie, Nelson, Pollock, Skraba, Svatos, Werschay – 9

Opposed: None – 0

Motion carried 9-0

St. Louis County Zoning Ordinance 62 Amendments for Chronic Wasting Disease (CWD)

Jenny Bourbonais, Land Use Manager, stated *Matthew Johnson*, Director of the St. Louis County Planning and Community Development Department, has communicated with the Planning Commission since November 2021 regarding Chronic Wasting Disease (CWD) and the Planning study based on the moratorium this year. The next step is to come up with language to address CWD based on the direction from the Planning Commission. Staff is proposing two definitions for cervid and cervid farm, a use category that relates to cervid farms, and language stating that use category would not be allowed in any zone district. Staff is asking for the Planning Commission to approve a public notice period for public feedback and to schedule a public hearing for these Zoning Ordinance 62 CWD amendments for July.

Motion by Coombe/Pollock to put the Zoning Ordinance 62 CWD amendments out for public comment and to schedule a Zoning Ordinance 62 CWD amendment public hearing on July 14, 2022.

In Favor: Coombe, Filipovich, Manick, McKenzie, Nelson, Pollock, Skraba, Svatos, Werschay – 9

Opposed: None – 0

Motion carried 9-0

NEW BUSINESS:

Jenna Asuma

The first hearing item is for Jenna Asuma, a conditional use permit for a Commercial Planned Development Use - Class II. The property is located in S26, T58N, R16W (Biwabik). *Mark Lindhorst*, St. Louis County Senior Planner, reviewed the staff report as follows:

- A. The applicant is proposing a small private campground to rent tent sites and a small cabin as a Commercial Planned Development Use – Class II.
- B. The proposed campsites will be open from May to October.
- C. The hours of operation will be from 7:00 a.m. until 10:00 p.m. Monday through Sunday, seven days per week.
- D. There is an old access road to get to the lake on the property.

Mark Lindhorst reviewed staff facts and findings as follows:

- A. Plans and Official Controls:
 1. St. Louis County Zoning Ordinance 62 states that a Commercial Planned Development Use-Class II is an allowed use in this Shoreland Multiple Use (SMU) zone district with a conditional use permit.
 2. Zoning Ordinance 62 allows a maximum development density for commercial planned developments. The proposal is within the density allowed.

3. The property falls within the Lakeshore Development Area of the St. Louis County Comprehensive Land Use Plan. This area is intended for rural development of existing residential, commercial, or mixed-use areas. The category may include uses of the size and scale, and intensity consistent with the county's developed lake shore areas which includes campgrounds.
4. Input received through the development of the St. Louis County Comprehensive Land Use Plan identified the need to continue to support the lodging industry. In particular, demand was noted for recreational vehicle (RV) and tent campgrounds, and the county should support the development and expansion of such campgrounds within the confines of existing regulations.
5. The St. Louis County Comprehensive Land Use Plan Goal LU-7 is to provide sufficient opportunities for commercial development to serve local and regional markets throughout the county.
6. The St. Louis County Comprehensive Land Use Plan Objective LU-7.2 is to develop opportunities for neighborhood commercial sites that are compatible in scale and operation with surrounding residential development.

B. Neighborhood Compatibility:

1. The Shoreland Multiple Use (SMU) zone district is intended to provide a balance between lake and river use and water uses that are consistent with adjacent uses and the recreational and natural attributes of the water.
2. The Story Book Lodge is located approximately 700 feet northeast of the proposed request.

C. Orderly Development:

1. Most of the parcels to the west and along the west side of the lake are large and have limited development except for a small area within the Ramble Ridge Shore Plat.
2. Development to the east consists of residential shoreland development and the Story Book Lodge.
3. The applicants request would have little impact on potential future development that may occur in this area.

D. Desired Pattern of Development:

1. The pattern of development consists of both residential and commercial which is typical for areas zoned SMU.
2. The property is within the Lakeshore Development area of the St. Louis County Comprehensive Plan which is intended for rural development, new development, and commercial development.

E. Other Factor:

1. Per Onsite Wastewater review, at a minimum a privy will be required. If wastewater is generated, a holding tank or other approved mechanism will be required to handle the wastewater.

Mark Lindhorst noted no items of correspondence.

STAFF RECOMMENDATION

If the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit to allow a campground as a Commercial Planned Development Use - Class II, the following conditions shall apply:

1. Additional sites may be added to the campground but shall not exceed the Commercial Planned Development density standards allowed per Zoning Ordinance 62.
2. St. Louis County Onsite Wastewater SSTS standards shall be followed.
3. All setbacks shall be maintained within the planned development campground.
4. All local, county, state, and federal regulations shall be met.
5. Signs shall be in accordance with St. Louis County Zoning Ordinance 62.

Jenna Asuma, the applicant, 6295 Ajax Road, Gilbert, asked if they could expand the months of operation as the campground may be open beyond May through October.

Mark Lindhorst stated that there are no regulations on which months a campground could be open.

Three members of the virtual audience spoke. There were no other audience members present.

Bryan Koller, 3916 North Potsdam Avenue, Sioux Falls, did not have a microphone and typed his questions via Webex chat. He asked if there will be a cabin without greywater how will the occupants use the bathroom.

This question was addressed with the applicant stating they will have a vaulted privy.

Cherie Hotchkiss, 5055 Vermilion Trail, did not have a working microphone and typed their questions via Webex chat. They are concerned that commercial rezoning will change the entire character of the lake. The Asuma's plan is okay but would leave open room for future development. She is concerned about the total limit for build out in case the applicants were to sell the property.

Jenny Bourbonais, Acting Secretary, stated this is not a rezoning; this use is an allowed use within this zone district.

Devin Long, 5241 Cedar Drive, stated he is in opposition. He asked how many units are planned. This is a very small lake and is worried about too much traffic.

No call-in users, present audience members or other virtual attendees spoke.

The *Planning Commission* discussed the following:

- A. Commission member *Skraba* asked if staff is requiring the proposed hours of operation. It would make more sense for lodging to always be open. *Mark Lindhorst* stated the hours of operation were as stated in the application. Most campgrounds and recreational vehicle (RV) parks have quiet time. Non-operating hours might be used for quiet time. *Jenna Asuma* stated the hours of operation are open; they were required to answer that question on the application. *Jenny Bourbonais* stated that staff views the non-operating hours as quiet hours.

- B. Commission member *Manick* asked if the access road can be used as a boat launch. *Jenna Asuma* stated they can use the access road as a boat launch. This is how the access road is currently used. They launch their own boats, and they launch their neighbors' boats from this access.
- C. Commission member *McKenzie* asked if the cabin exists. *Jenna Asuma* stated it does not. They wanted to ensure they could get a conditional use permit before building. They want the cabin for guests to stay in and for potentially renting out in the future.
- D. Commission member *McKenzie* asked if the access road is an improved road or if it is just grass. *Jenna Asuma* stated it is a road that has been there since they purchased the property. In addition, they have a paved driveway and a second road that was built by loggers to access their property. They maintain the access road.
- E. Commission member *Svatos* asked if there will be septic in the new cabin. Commission member *Coombe* added the application stated a vaulted privy would be used. *Jenna Asuma* agreed. These will be very primitive campsites with no running water, a water tank inside for drinking, a vaulted privy, and no greywater. Commission member *Pollock* stated that a permit for the cabin would address any septic requirements.
- F. Commission member *Skraba* asked what the tent pads will be. *Jenna Asuma* stated that their current plan is to not do tent sites now. If they plan to add tent sites in the future, they would be low to the ground deck platforms.
- G. Commission member *Filipovich* stated as the applicants live at the property, they can control whatever situation may come. *Jenna Asuma* stated this is their personal property. They do not want to have many RVs parked in their field. The second access will help buffer this activity from their personal driveway and their own house. Their main concern is the cabin. The tent sites were requested in case they opted to use them in the future. It is easier to ask for tent sites now than to come back and ask the Planning Commission for them later.
- H. Commission member *Coombe* stated the applicant should be able to expand. *Mark Lindhorst* stated that the applicant could call at any time to add on to the number of sites. *Jenna Asuma* stated this will likely not happen, at least not on their personal property. They want to have their own property for her family. They do not want that many people on their property. This is a private lake with no public access. She does not want a massive amount of people on this lake.
- I. Commission member *Pollock* stated while the applicant is requesting two tent sites, she has the ability to ask for more based on the density allowed. *Jenna Asuma* is grateful to have this chance if they so choose to.
- J. Commission member *Skraba* asked how customers will access the site and if they will need to use the private driveway. *Mark Lindhorst* stated that the access road comes from Ajax Road and is a flat, sandy trail. *Jenna Asuma* stated that their guests may not need to use the private driveway and can drive the entire access road down along the tree line. *Mark Lindhorst* added that this access road could be approved by the County. Commission member *Skraba* stated that should be covered under the condition that all local, county, state, and federal regulations shall be met.
- K. Commission member *McKenzie* asked if the applicant has spoken to any of their neighbors. *Jenna Asuma* stated because she was not sure what the notice may say, she went out to speak with her neighbors to let them know what their plan was. Commission member *McKenzie* stated he was concerned about the neighbor to the west because they would be

most impacted by a campground. *Jenna Asuma* stated that neighbor will likely put a fence up because they do not want campground guests on their property. She will mark property lines and there will be signage. Their property is big enough for guests to roam without needing to go on their neighbor's property.

- L. Commission member *Skraba* asked how many sites the applicant could have. *Mark Lindhorst* stated the applicants could have more than three. There is enough acreage which would allow more sites. However, the applicant wants to utilize this for personal property too.
- M. *Mark Lindhorst* stated he had spoken with *Cherie Hotchkiss* to address her questions about utilizing the lake and if campers would be bringing boats to the lake. *Jenna Asuma* stated they will not have campers bring and launch their own boats. They have two kayaks and a canoe available for use. They want the lake to stay the way it is, a private community lake. She added that she can reach out to the Hotchkiss's.
- N. Commission member *Manick* asked if there is public access on the lake. *Jenna Asuma* stated there is no public access.
- O. Commission member *Skraba* stated by allowing this use, it could potentially open the door for future uses. If the property is ever sold, the applicant could remove the conditional use permit. *Jenna Asuma* stated they have no plans to sell the property.

DECISION

Motion by Coombe/Nelson to approve a conditional use permit to allow a campground as a Commercial Planned Development Use - Class II, based on the following staff facts and findings:

A. Plans and Official Controls:

- 1. St. Louis County Zoning Ordinance 62 states that a Commercial Planned Development Use-Class II is an allowed use in this Shoreland Multiple Use (SMU) zone district with a conditional use permit.
- 2. Zoning Ordinance 62 allows a maximum development density for commercial planned developments. The proposal is within the density allowed.
- 3. The property falls within the Lakeshore Development Area of the St. Louis County Comprehensive Land Use Plan. This area is intended for rural development of existing residential, commercial, or mixed-use areas. The category may include uses of the size and scale, and intensity consistent with the county's developed lake shore areas which includes campgrounds.
- 4. Input received through the development of the St. Louis County Comprehensive Land Use Plan identified the need to continue to support the lodging industry. In particular, demand was noted for recreational vehicle (RV), and tent campgrounds and the county should support the development and expansion of such campgrounds within the confines of existing regulations.
- 5. The St. Louis County Comprehensive Land Use Plan Goal LU-7 is to provide sufficient opportunities for commercial development to serve local and regional markets throughout the county.
- 6. The St. Louis County Comprehensive Land Use Plan Objective LU-7.2 is to develop opportunities for neighborhood commercial sites that are compatible in scale and operation with surrounding residential development.
- 7. The use conforms to the land use plan.

B. Neighborhood Compatibility:

1. The Shoreland Multiple Use (SMU) zone district is intended to provide a balance between lake and river use and water uses that are consistent with adjacent uses and the recreational and natural attributes of the water.
2. The Story Book Lodge is located approximately 700 feet northeast of the proposed request.
3. The use is compatible with the existing neighborhood.

C. Orderly Development:

1. Most of the parcels to the west and along the west side of the lake are large and have limited development except for a small area within the Ramble Ridge Shore Plat.
2. Development to the east consists of residential shoreland development and the Story Book Lodge.
3. The applicants request would have little impact on potential future development that may occur in this area.
4. The use will not impede the normal and orderly development and improvement of the surrounding area.

D. Desired Pattern of Development:

1. The pattern of development consists of both residential and commercial which is typical for areas zoned SMU.
2. The property is within the Lakeshore Development area of the St. Louis County Comprehensive Plan which is intended for rural development, new development, and commercial development.
3. The location and character of the proposed use is considered consistent with a desirable pattern of development.

E. Other Factor:

1. Per Onsite Wastewater review, at a minimum a privy will be required. If wastewater is generated, a holding tank or other approved mechanism will be required to handle the wastewater.

The following conditions shall apply:

1. Additional sites may be added to the campground but shall not exceed the Commercial Planned Development density standards allowed per Zoning Ordinance 62.
2. St. Louis County Onsite Wastewater SSTS standards shall be followed.
3. All setbacks shall be maintained within the planned development campground.
4. All local, county, state, and federal regulations shall be met.
5. Signs shall be in accordance with St. Louis County Zoning Ordinance 62.

In Favor: Coombe, Filipovich, Manick, McKenzie, Nelson, Pollock, Skraba, Svatos, Werschay
- 9

Opposed: None - 0

Motion carries 9-0

Florence Alsaker

The second hearing item is for Florence Alsaker, a conditional use permit for a general purpose borrow pit as an Extractive Use – Class II. The property is located in S24, T59N, R21W (Unorganized). *Mark Lindhorst*, St. Louis County Senior Planner, reviewed the staff report as follows:

- A. The applicant is proposing to operate a commercial borrow pit.
- B. The request includes crushing and hauling of material.
- C. The estimated area of excavation will be five to ten acres.
- D. The standard hours of operation of 7:00 a.m. until 8:00 p.m. Monday through Saturday.
- E. It is estimated that five trucks per day may leave the pit, but the number may be variable.
- F. There are wetlands located throughout the property. It is recommended that a wetland delineation be completed to ensure requirements of the St. Louis County Zoning Ordinance and MN Wetland Conservation Act requirements are met.
- G. The property has recently been logged. However, the location of the pit will be screened by the vegetation from the adjacent MN Tax Forfeit parcel to the east.
- H. There are a number of dilapidated structures located on the property.

Mark Lindhorst reviewed staff facts and findings as follows:

- A. Plans and Official Controls:
 - 1. Zoning Ordinance 62, Article V, Section 5.6 A., indicates general purpose borrow pits are an allowed use with a Conditional Use Permit in a Forest and Agriculture Management (FAM) zone district.
 - 2. The St. Louis County Comprehensive Land Use Plan under Objective LU-4.5 states that the development of new general purpose borrow pits should be directed to areas designated as Forest and Agriculture (FA) on the Future Land Use Map.
 - 3. The applicant's parcel is designated as FA within Planning Area 2 on the Future Land Use Map.
- B. Neighborhood Compatibility:
 - 1. There is one residence within one-quarter mile of the proposed use.
 - 2. There is a St. Louis County transfer site located on the parcel to the south and Conservation Fund land to the west.
- C. Orderly Development:
 - 1. The parcel is surrounded by large undeveloped forested parcels consisting of public and private land.
 - 2. The proposed excavation will be located approximately 400 feet from the road.
- D. Desired Pattern of Development:
 - 1. The subject parcel, along with the neighboring parcels to the north, south and west are zoned FAM-3.
 - a. Forest Agricultural Management districts are intended to accommodate a wide range of uses.
 - b. A general purpose borrow pit is an allowed use with a Conditional Use Permit.

E. Other Factor:

1. The proposed pit will be located approximately 700 feet from McCormack Lake.

Mark Lindhorst noted no items of correspondence.

STAFF RECOMMENDATION

If the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit for a general purpose borrow pit as an Extractive Use – Class II, the following conditions shall apply:

Conditions Precedent:

1. The applicant shall obtain access approval from the appropriate road authority.
2. The applicant shall demonstrate legal access across tax forfeit property.
3. A wetland delineation shall be completed.

Conditions Concurrent:

1. All minimum extractive use standards shall be followed.
2. The extractive use activity shall be limited to less than 40 acres.
3. The applicant shall adhere to all local, county, state and federal regulations.
4. The Wetland Conservation Act shall be followed.

The applicant was not present. Contact was made with *Amy Alsaker* who was unable to be present.

Two virtual attendees were present and spoke with their concerns.

Bryan Wolff, 6303 McCormack Lake Road, stated he is a neighbor within one-quarter mile of the proposed pit. His concern is the noise around the lake with crushing allowed. He asked if there could be some consideration for the neighbors especially in the early mornings. He works from home so he would hear it all day and would cause disturbance.

Charles Unhjem, Jr., 12105 Connors Road, Chisholm, stated he agrees with Mr. Wolff. His property adjoins with the Alsaker property. His biggest concern is with noise. This road is also a dirt road, and he is concerned about traffic and the dust kicked up by the trucks traveling the road.

No other audience members spoke.

The *Planning Commission* discussed the following:

- A. Commission member *Svatos* asked if there has been previous pit activity on this property as staff pictures showed disturbance. *Mark Lindhorst* stated this may have been a previous farmstead at one point as there was a property address. However, there may have been some activity on this property.
- B. Commission member *Skraba* stated that crushing is not a consistent process. It costs a lot of money to run a crusher and crushing is only done as needed. Commission member *Coombe* stated there was nothing from the applicant about stockpiling any materials for crushing. The crushing activity may only be done with what is already in the pit.

- C. Commission member *Skraba* stated that the applicant did indicate water trucks would be used to help mitigate dust concerns.
- D. Commission member *Svatos* stated this is also going to be a small pit which should help alleviate neighbor's concerns.
- E. Commission member *McKenzie* asked which road is gravel because McCormack Lake Road is a paved road. *Charles Unhjem, Jr.* stated that Connor Road is a gravel road.
- F. Commission member *McKenzie* stated he is familiar with this area and this property is unique. The property away from the lake and the road is a high bluff which should limit development in this area.

DECISION

Motion by McKenzie/Manick to approve a conditional use permit for a general purpose borrow pit as an Extractive Use – Class II, based on the following staff facts and findings:

A. Plans and Official Controls:

- 1. Zoning Ordinance 62, Article V, Section 5.6 A., indicates general purpose borrow pits are an allowed use with a Conditional Use Permit in a Forest Agriculture Management (FAM)-3 zone district.
- 2. The St. Louis County Comprehensive Land Use Plan under Objective LU-4.5 states that the development of new general purpose borrow pits should be directed to areas designated as Forest and Agriculture (FA) on the Future Land Use Map.
- 3. The applicant's parcel is designated as FA within Planning Area 2 on the Future Land Use Map.
- 4. This proposal is allowed under both the St. Louis County Comprehensive Land Use Plan under Objective LU-4 as well as St. Louis County Zoning Ordinance 62.
- 5. The proposal will be low-level to an area that is low-density.
- 6. The use conforms to the land use plan.

B. Neighborhood Compatibility:

- 1. There is one residence within one-quarter mile of the proposed use.
- 2. There is a St. Louis County transfer site located on the parcel to the south and Conservation Fund land to the west.
- 3. There is very little development within this area even though it is directly adjacent to McCormack Lake. It was not developed because the county road is so close to the lake.
- 4. The use is compatible with the existing neighborhood.

C. Orderly Development:

- 1. The parcel is surrounded by large undeveloped forested parcels consisting of public and private land.
- 2. The proposed excavation will be located approximately 400 feet from the road.
- 3. The neighboring parcels are undeveloped and the proposed borrow pit will not be visible to the public.
- 4. The use will not impede the normal and orderly development and improvement of the surrounding area.

D. Desired Pattern of Development:

1. The subject parcel, along with the neighboring parcels to the north, south and west are zoned FAM-3.
 - a. Forest Agricultural Management districts are intended to accommodate a wide range of uses.
 - b. A general purpose borrow pit is an allowed use with a Conditional Use Permit.
2. The subject parcel is zoned FAM-3 which allows for a variety of uses including a borrow pit.
3. The location and character of the proposed use is considered consistent with a desirable pattern of development.

E. Other Factors:

1. The nearest residence is located approximately 1,400 feet away.
2. This property was previously used as a junk yard.
3. The proposed pit will be located approximately 700 feet from McCormack Lake.

The following conditions shall apply:

Conditions Precedent:

1. The applicant shall obtain access approval from the appropriate road authority.
2. The applicant shall demonstrate legal access across tax forfeit property.
3. A wetland delineation shall be completed.

Conditions Concurrent:

1. All minimum extractive use standards shall be followed.
2. The extractive use activity shall be limited to less than 40 acres.
3. The applicant shall adhere to all local, county, state and federal regulations.
4. The Wetland Conservation Act shall be followed.

In Favor: Coombe, Filipovich, Manick, McKenzie, Nelson, Pollock, Skraba, Svatos, Werschay - 9

Opposed: None - 0

Motion carries 9-0

Lake Vermilion Houseboats

The third hearing item is for Lake Vermilion Houseboats Inc., a conditional use permit for a Short-Term Rental as a Residential Use - Class II. The property is located in S21, T62N, R16W (Greenwood). *George Knutson*, St. Louis County Planner, reviewed the staff report as follows:

- A. The applicant is proposing to use the property as a short term rental.
- B. This proposal requires a conditional use permit due to the lot being zoned Residential (RES) and not meeting the zoning minimum requirements.
- C. Zoning minimum requirements for this subject parcel require one acre and 150 feet of lot width and the subject parcel has approximately 1.96 acres and 105 feet in lot width.
- D. The proposed intended days for rental are 75, which does not constitute a commercial use.

George Knutson reviewed staff facts and findings as follows:

- A. Plans and Official Controls:

1. St. Louis County Zoning Ordinance 62, Article VI, Section 6.32, states that a Residential Use – Class II requires a performance standard permit or a conditional use permit within the Residential (RES) zone district.
 - a. Additional standards are required for properties located in residentially zoned areas. If the standards cannot be met, a conditional use permit is required.
 - b. In this case, the subject parcel does not meet the additional standard that states the use must be located on a parcel that meets current minimum zoning requirements.
 2. Zoning Ordinance 62, Article III, Section 3.2, states minimum lot dimensions for each zone district.
 - a. The subject parcel is zoned RES-9 which requires a minimum of one acre and 150 feet in width.
 - b. The subject parcel has approximately 1.96 acres and 105 feet of lot width.
 3. Objective ED-2.1 of the St. Louis County Comprehensive Land Use Plan is to recognize and ensure regulatory fairness across a thriving lodging industry that includes hotels, bed and breakfasts, and vacation rentals.
- B. Neighborhood Compatibility:
1. The existing lakeside neighborhood near the subject parcel consists of mainly residential uses. One resort is located 0.1 mile northwest of the subject parcel.
 - a. There are a few other existing resorts approximately one mile from the subject parcel.
 - b. Other non-residential uses exist in the immediate area on the non-lakeside of County Road 77 where zoning differs which include mini-storage and a St. Louis County Environmental Services facility.
 2. The subject parcel is zoned RES.
 - a. A short term rental is an allowed use in a residential zone district provided all standards are met or a conditional use permit is granted.
- C. Orderly Development:
1. A majority of the parcels in the immediate lakeside area are zoned residential.
 - a. Due to the underlying zoning, future development is expected to consist of primarily residential use, which may include other short term rentals.
 - b. The historic resort use located within the immediate area is also expected to continue operation.
 2. A short term rental use can benefit the County with supplying additional lodging options for tourists/residents, as well as contributing to the County lodging tax base.
- D. Desired Pattern of Development:
1. The underlying zoning of residential limits certain uses and is intended for areas in the county with extensive residential development or potential for extensive residential development.
 2. Development patterns in the subject area are expected to be primarily residential in addition to the historic resort use.
 - a. Proposed short term rentals are also expected to be part of development patterns.
 3. The conditional use permit process allows other landowners in the area to provide feedback on the proposed short term rental.

4. The proposed intended rental days of 75 does not constitute a commercial use.

E. Other Factor:

1. If the use is approved, maximum occupancy as determined by St. Louis County On-Site Wastewater shall not be exceeded.

George Knutson noted no items of correspondence.

STAFF RECOMMENDATION

If the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit to allow a short term rental as a Residential Use – Class II on property that does not meet the minimum zoning requirements, the following conditions shall apply:

1. All other short term rental standards shall be met.
2. St. Louis County Onsite Wastewater SSTS standards shall be followed.
3. All other local, state, and federal standards shall be met.
4. Permitted short term rental use shall not be transferrable upon a change in ownership of the subject property.

Kyle Colbert, the applicant, 9482 Angus Road, stated he is the president of Lake Vermilion Houseboats, Inc and president of the Lake Vermilion Resorts Association. He was unaware of short term rental permitting requirements until he saw it in the local news. He is trying to do right by getting this permit now. If the rental use does not exceed the personal use, they could get a conditional use permit. They purchased the property not to just rent it out but to also use it.

One virtual attendee spoke in favor.

Rebecca Ribich, no address given, submitted via Webex chat that she and her husband own Bayview RV Resort. They support the request for this permit to make the lake more accessible and draw in the next generation of lake lovers. It is crucial to development, tourism, and business development in the area.

No other audience members spoke.

The *Planning Commission* discussed the following:

- A. Commission member *Pollock* asked what constitutes a commercial use on the property. *George Knutson* stated that a use becomes commercial when the days the property is rented exceed the days the property is not rented or used only for personal use.
- B. Commission member *Skraba* stated that the property would be assessed as commercial even if the property is below that threshold.
- C. Commission member *Pollock* stated based on the current septic system, the applicants are requesting a maximum occupancy level of eight. *George Knutson* stated this is in the application. Currently the applicant is working with the On-Site Wastewater Division to increase the maximum occupancy allowed. Based on their current septic system, the applicant would be allowed a maximum occupancy of four.

- D. Commission member *Werschay* asked if there is property line encroachment. *George Knutson* stated that the maps provided today are not survey grade and the lines could be off. The landowner did have the property lines marked.
- E. Commission member *Coombe* asked if the septic system is sized for the number of individuals that may use that system instead of the number of bedrooms. *George Knutson* stated that On-Site Wastewater determines the maximum occupancy allowed based on the original septic system design. The system is currently undersized based on the existing occupancy of the property. The system currently has a nonconforming status being that it is undersized.
- F. Commission member *Filipovich* asked which direction traffic would come from. *George Knutson* stated that the traffic would come up Birchwood Lane from the south.
- G. Commission member *Pollock* stated that a short term rental is allowed in a residential area with a permit. If the applicant only rents the property all year, this is not allowed in a residential area. A commercial overlay district would be required for commercial rental.
- H. Commission member *Pollock* stated the applicant advertises an occupancy of 12. This is not compatible with what the applicant may be allowed. *Jenny Bourbonais* stated that staff would verify what the occupancy level would be based on what On-Site Wastewater division determines. Staff has run into issues when applicants are advertising for a greater occupancy than their septic systems could handle. This is up to the applicant to work with On-Site Wastewater to get the occupancy numbers to match. There is a third-party vendor staff uses to check advertised occupancy levels if compliance becomes an issue.
- I. Commission member *McKenzie* asked if the applicant uses the property. *Kyle Colbert* stated that they have friends and family that use the property.
- J. Commission member *McKenzie* stated this is a wedged-shaped property and would be a practical difficulty if it required a variance.
- K. Commissioner *Nelson* stated the houseboat company is essentially a resort. These resorts are renting out houses not on site. His biggest concern is that On-Site Wastewater SSTS standards be met. Commission member *Werschay* stated she agrees.
- L. Commission member *Filipovich* asked if staff will assist the applicant with other permitting requirements. This is a complex process with moving parts. *Jenny Bourbonais* stated staff will work with the applicant in order to get the permit and that includes all of the requirements.
- M. Commissioner *Nelson* stated that short term rental permitting process matters. It is disconcerting that there are major lake and resort organizations that do not recognize permits are required for this type of use. The word needs to get out.
- N. Commission member *Werschay* expressed concerns about the number of people packed into these houses, especially with what is advertised for these properties.

DECISION

Motion by Manick/Pollock to approve a conditional use permit to allow a short term rental as a Residential Use – Class II on property that does not meet the minimum zoning requirements, based on the following staff facts and findings:

- A. Plans and Official Controls:

1. St. Louis County Zoning Ordinance 62, Article VI, Section 6.32, states that a Residential Use – Class II requires a performance standard permit or a conditional use permit within the Residential (RES) zone district.
 - a. Additional standards are required for properties located in residentially zoned areas. If the standards cannot be met, a conditional use permit is required.
 - b. In this case, the subject parcel does not meet the additional standard that states the use must be located on a parcel that meets current minimum zoning requirements.
2. Zoning Ordinance 62, Article III, Section 3.2, states minimum lot dimensions for each zone district.
 - a. The subject parcel is zoned RES-9 which requires a minimum of one acre and 150 feet in width.
 - b. The subject parcel has approximately 1.96 acres and 105 feet of lot width.
3. Objective ED-2.1 of the St. Louis County Comprehensive Land Use Plan is to recognize and ensure regulatory fairness across a thriving lodging industry that includes hotels, bed and breakfasts, and vacation rentals.
4. This is an area that could benefit from future resorts and short term rentals.
5. The use conforms to the land use plan.

B. Neighborhood Compatibility:

1. The existing lakeside neighborhood near the subject parcel consists of mainly residential uses. One resort is located 0.1 mile northwest of the subject parcel.
 - a. There are a few other existing resorts approximately one mile from the subject parcel.
 - b. Other non-residential uses exist in the immediate area on the non-lakeside of County Road 77 where zoning differs which include mini-storage and a St. Louis County Environmental Services facility.
2. The subject parcel is zoned RES.
 - a. A short term rental is an allowed use in a residential zone district provided all standards are met or a conditional use permit is granted.
3. The use is compatible with the existing neighborhood.

C. Orderly Development:

1. A majority of the parcels in the immediate lakeside area are zoned residential.
 - a. Due to the underlying zoning, future development is expected to consist of primarily residential use, which may include other short term rentals.
 - b. The historic resort use located within the immediate area is also expected to continue operation.
2. A short term rental use can benefit the County with supplying additional lodging options for tourists/residents, as well as contributing to the County lodging tax base.
3. The use will not impede the normal and orderly development and improvement of the surrounding area.

D. Desired Pattern of Development:

1. The underlying zoning of residential limits certain uses and is intended for areas in the county with extensive residential development or potential for extensive residential development.

2. Development patterns in the subject area are expected to be primarily residential in addition to the historic resort use.
 - a. Proposed short term rentals are also expected to be part of development patterns.
3. The conditional use permit process allows other landowners in the area to provide feedback on the proposed short term rental.
4. The proposed intended rental days of 75 does not constitute a commercial use.
5. The location and character of the proposed use is considered consistent with a desirable pattern of development.

E. Other Factor:

1. If the use is approved, maximum occupancy as determined by St. Louis County On-Site Wastewater shall not be exceeded.

The following conditions shall apply:

1. All other short term rental standards shall be met.
2. St. Louis County Onsite Wastewater SSTS standards shall be followed.
3. All other local, state, and federal standards shall be met.
4. Permitted short term rental use shall not be transferrable upon a change in ownership of the subject property.

In Favor: Coombe, Filipovich, Manick, McKenzie, Nelson, Pollock, Skraba, Svatos, Werschay - 9

Opposed: None - 0

Motion carries 9-0

Motion to adjourn by Svatos. The meeting was adjourned at 11:09 AM.