

**Town of Duluth
Planning Commission
Meeting Minutes
January 25, 2018**

The meeting was called to order at 7:00 pm by Chair Jo Thompson.

Present: Jo Thompson, Wayne Dahlberg, John Schifsky, Jerry Hauge, Larry Zanko, Liz Strohmayer, and Dave Edblom.

Absent: No one.

Also present: Sue Lawson, Planning Director and Rolf Carlson, Town Board liaison to the Planning Commission.

The agenda was approved with the addition of a discussion of short-term rentals added to Old Business.

The December 28 minutes were approved with one correction – the setback from McQuade Road is 85 ft and the setback from Highway 61 is 125 ft.

Sue said that at the last Commission meeting a task group was assigned to come up with a proposal for commercial use and where it would be allowed for potentially locating Les Grumdahl's business on McQuade and Old North Shore Road. She presented the group's proposed language (see attached). They retained the broad definition in Article II of the Ordinance. They decided to make it a conditional use except in areas zoned for commercial where it would be allowed with performance standards. They considered things like road access and nearness to major travel routes. Areas zoned for FAM were not found to be suitable for commercial use. The group decided the use would be allowed in MUNS and SMU zone districts but would be required to be on parcels located along major roads. The lot size must be 2 times the minimum lot requirement for the zone district. They also included requirements for setbacks, loading, parking, screening, hours of operation, lighting and signage.

Wayne said that it did not seem like the road setback would need to be doubled on the expressway. That would be 300 ft. Depending on the configuration of the property, that could be difficult. He was also not sure that there needed to be so many limitations on the use.

Sue said that between Duluth and Two Harbors, there are two commercial areas. This limited amount of commercial adds to the feeling of being "up north." Also, the expressway is very wide so can more easily accommodate that setback. For instance, at Ryan Road, from the centerline of the eastbound lane of the expressway it is about 180 ft. It is even wider at McQuade.

Dave said that it wouldn't be necessary to double property line setbacks if the property is adjacent to an LIU zone district. The purpose of the doubled setbacks was to protect residential areas.

Jerry agreed.

Liz said that if the setback was doubled adjacent to LIUs the businesses would be less concentrated and it would be more aesthetically pleasing.

Wayne said that if the businesses are more concentrated, the area of visual impact is limited.

Jo said she felt uncomfortable with allowing commercial in all of MUNS-4. It seemed it could have the potential to get out of control. But by definition, MUNS-4 is mixed use.

Sue read the definition for MUNS-4. It is “intended to maintain and promote the rural character of the Township, and to prevent urban and suburban encroachment upon these areas. A moderately low level of development is important in this district since the uses encouraged in MUNS-4 would be less compatible in a more urban setting.” Would this be considered urban encroachment?

Dave said that limiting commercial to main roads was meant, in part, to keep commercial from sprawling into more undeveloped areas. Everyone would have a different opinion about what constituted urban encroachment. The hope was that doubling the lot size would limit it some.

Sue said that some businesses want to be located where people are likely to see them from the road. The FAM zone districts are too far out. Also, a grouping of businesses together can create a critical mass that attracts customers.

Wayne said that it was important to open some opportunities for commercial enterprises in the Township. Allowing commercial with a conditional use is a way of controlling it. In addition, the public has a chance to participate.

Sue said that her experience was that not that many requests for conditional uses were denied. She could only think of one. Wayne also recalled another one, but said that not that many requests for conditional uses come in. Sue did a cursory look at records and said that it appeared that for the last ten years there have been an average of two requests for conditional use per year. In her recollection, during that time only one request was denied.

Jo asked about limiting where businesses could be in MUNS-4 by limiting roads or portions of roads they could be located on.

Jerry suggested not allowing commercial on Ryan Road past Shilhon or past Lismore Rd on McQuade. Regarding road setback, he said that in SMU-6 the minimum lot size would be 4 acres. If the road setback is 300 ft, how much room is left on a lot that is this size?

John said that the proposed language gave him the sense of attempting to push commercial use to above the expressway. There are larger parcels in SMU-6 that would provide opportunity for commercial. In addition, when the Commission planned for trails in the Township, it worked to increase safety on the major roads for trails and bikes. If we are looking at encouraging businesses on those roads, what happens to safety?

Jo said that the criteria for conditional use cover safety factors. It could be decided on a case by case basis whether a business would impact safety on a trail route.

Wayne said most impact from businesses would likely be very minor. Industrial uses would pose more of a safety hazard. Gravel trucks pose a bigger risk.

Sue said there is an additive effect on safety as uses are added.

Sue said that SMU-6 along the shore is more suited for neighborhood and highway commercial – tourist activities like motels, restaurants, gift shops, etc. It is mixed use, but it does not seem that it is well-suited to general commercial use. She read the definition for SMU-6: “This district is intended to provide residential and mixed uses consistent with the recreational and natural attributes of Lake Superior, on a

suburban-scale lot size.” So, in SMU-6 there is mixed use. And MUNS-4 talks about preserving the rural character and preventing urban and suburban encroachment.

Jerry said that Dryco is in a commercial zone on Ryan Road. It is in the middle of MUNS-4, but it seems appropriate there.

John said he would like to see commercial kept more south in the Township, maybe below Shilhon.

Liz said that she lives near an existing commercial area and she sees the impact of commercial use on the roads and neighborhood. There is a place for commercial in the Township, but it could open a can of worms to allow it in too broad of an area.

Wayne said the Township needs to open up opportunities for commercial. Maybe there could be size restraints. He agreed that large commercial enterprises would not be in keeping with the character of the Township. He agreed with John’s suggestion for keeping commercial south of Shilhon.

Dave thought Lismore Road might be a more appropriate cutoff.

Wayne said that Lismore would be too restrictive on the eastern side of the Township. He suggested Shilhon to Homestead and then Lismore from there.

Liz said that there is constant traffic to the businesses at the commercial hub at Lismore and McQuade. It provides a perspective of what commercial could end up being like.

Sue noted that there is a fair amount of undeveloped land along McQuade.

Wayne asked if commercial would be allowed on both sides of Lismore and Shilhon. He thought it should be. As far as size, he thought it would be prudent to establish a size limit. 8,000 to 10,000 sq ft would allow for a pretty good-sized operation.

Liz asked what the square footage of Dryco was.

Sue said that Dryco is 7200 sq ft. It is 120 ft by 60 ft. They tore down the existing buildings on the site.

The Commission agreed that a limit of 10,000 sq ft, including all structures, was reasonable.

Jerry thought that the road setback should be left as is for the zone district, but still double the other setbacks. In SMU-6, on a 4 acre lot as would be required, the doubled road setback doesn’t leave room for anything.

Sue said that screening can mitigate the visual impact but still allow a business to be seen.

The Commission agreed. Double all setbacks except the road setback.

Wayne said the lot width should be 1.5 times the minimum required in MUNS-4.

Wayne said that since the Commission has limited buildings to 10,000 sq ft, don’t need the language requiring a loading space for every 10,000 sq ft. It was agreed to add “at least one” to “one such space.”

Jo suggested setbacks for parking lots, especially in residential areas.

Wayne said that 10 or 15 ft of buffer for planting and stormwater control would be prudent.

Sue asked if parking lots should meet the same minimum setbacks as structures.

The Commission agreed they should.

Wayne suggested 25 ft of greenspace between the road and parking lot. The Commission agreed.

Sue said that screening requirements can be more specific in the CU process. Hours of operation can also be limited then.

Dave asked if the one parking space for each worker was meant for workers on site only or also for workers who load a truck and go.

Sue said the worker would have a car either way.

Wayne suggested just saying that there will be no off-site parking.

The Commission agreed. All parking, for visitors and employees, must be on-site. It can be modified during the CU process.

Wayne said that other laws regulate handicapped parking. He said the site plan should be completed for the CU hearing and that will allow for evaluating parking.

Sue said if all parking is required to be on-site, a through h can be deleted. Replace with "all parking must be accommodated on-site." Then keep i, and add a section on setbacks. Hours are fine. Signage is fine.

It was agreed to use the existing definition for commercial use in Article II.

Table 5.3 will be modified: Commercial Use will be added. It will not be allowed in FAM districts or in SMU-8. It will be allowed with a conditional use in MUNS-4 and in SMU-6 and SMU-6a. It will be permitted with performance standards in SCO-8A, COM-3, and LIU-3a. It will be Section 23, Special Requirements and Conditions for Commercial Uses, in Article IX.

The roads it will be allowed on will be Homestead south from Shilhon; Ryan, Bergquist and McQuade south from Lismore and Lismore between Bergquist and McQuade. The parcel the business will be located on must lie along and have direct access to these roads.

The lot size must be 2 times the lot size required for the zone district. In MUNS-4 the lot width must be 1.5 x the required minimum width. Setbacks in all zone districts will be 2 times the minimum rear and side yard setbacks and the road setback will not be increased. At least one loading space, minimum 10 by 35 ft, will be required. For parking, delete a-h and instead say that all parking must be on site. Parking lots must meet the minimum setbacks required for structures for the zone district. There will be a vegetative strip not less than 25 ft between a parking area and the road. Delete "other barriers." The maximum aggregate size of all structures will be limited to 10,000 sq ft.

Wayne made a motion to accept the changes and language as detailed above. Jerry seconded. The motion was approved unanimously.

The Commission next determined performance standards for commercial zones for the new commercial use. It was decided to use the performance standards for Commercial Districts from Section 10.

Wayne asked if the size of commercial buildings should be restricted to 10,000 sq ft for existing commercial areas.

The Commission decided not to include SCO-8b as one of the zone districts allowed with performance standards. Sue said that SCO-8B has always been kind of a special district. It is essentially Tom's Logging Camp and is a light level commercial development.

Sue said that she would put together what the Commission decided on for the commercial use, Beth will check it, and it will apply to the February conditional use hearing. She said that a public hearing for the new use wasn't needed because the Ordinance allows for the Commission to determine a new use and any performance standards needed.

The Commission determined that the notification area for Les Grumdahl's conditional use hearing would be one-quarter mile.

Sue asked about the two driveways Les plans to put into the property. He wants a driveway that comes in off of McQuade and exits on the Old North Shore Road. If the County allows them to enter from both roads, will they still have to apply to the Town for a variance?

Les said that his reading was that the Ordinance allowed one driveway per road. Both entrances are far enough from intersecting roads.

Jo made a motion that the Commission agrees with the interpretation that the parcel is serviced by two public roads, and can therefore have a driveway off of each road, provided that the County grants permission. Jerry seconded. The motion passed unanimously.

The hearing will be at the February meeting, February 22, at 7.

Director's Report

Next up was determining a budget for 2019 to submit to the Board. Sue suggested that the Commission add to the budget for updating the CLUP. The Commission reviewed the CLUP in 2012/13 and said that it was good for another 5 years. It sunsets in 2020. There were 12 hearings in 2017. In every one of those hearings, the Commission consulted the CLUP. The time-line for updating it would begin in the last quarter of 2018. The bulk of the work would be in 2019 with approval in January of 2020. There are some grants available, notably the Star Grant with the Coastal Program. The maximum grant available through this program is \$7500 and requires a match from the Town.

Sue said that some of the things the CLUP should reflect are the Town's core values and statements. Examples of this are the Town's connection to place and community, the Town's role in nurturing and sustaining community, the importance of maintaining the Town's rural character. It is important to delineate these values and have them in place in the CLUP so that they can be referenced when decisions are being made. Data to consider include core value statements and other existing plans that are pertinent to the Town, e.g., National Wetland Inventories and the NSMB Comprehensive Plan. Analysis of resources would include past changes and anticipated changes. The decision making process updating the CLUP should be structured to honor the efforts and decisions recommend by the Steering Committee and the Planning Commission to the maximum extent possible. It is important that policies and directions are established so that the Commission and Board can use them for making decisions. For instance, when the Board was considering the fire hall addition, there was only one sentence in the CLUP that was applicable.

Using this approach, creating and updating a CLUP is a community based, community driven project. It will probably take a year. The process begins by putting together a steering committee which is

appointed by the Board. The steering committee should be a broad representation of the Township. The Planning Director coordinates the effort.

Regarding a Star Grant, applications are accepted in March and in June. There may be other options for grants such as through the Lloyd K Johnson foundation.

The Commission agreed that it was important to do this at this time.

Sue handed out a copy of the draft budget. The beginning balance is \$37,000. This needs to take us half way through the year to July when we get the next monies. Planning's actual expenditure in 2017 was \$30,724. There is money left over because of income from all of the permits and hearings in 2017. The decision about whether or not to add \$7500 to the budget for the CLUP would be a Board decision.

Jo made a motion to approve the line items on the draft budget for 2019 as Sue presented it. Liz seconded. The motion passed unanimously.

John made a motion that the Commission ask the Town Board to allocate \$5,000 to upgrade the audiovisual system in the Town Hall. This would benefit the Board, the Commission, the Arts and Heritage group and the whole community. Jo seconded.

John said that the Town needs a more sophisticated audiovisual system. He said that the current system is antiquated and doesn't meet our needs. A better, more permanent screen is needed along with a better connection between the screen and computers. Jerry agreed – the screen should be a permanent screen that doesn't have to be lugged around. A big tv wouldn't work. Sue said that the projector we are using now is old and is on its original light bulb. Jerry estimated that it would take several thousand dollars for the room. Jo noted that an A/V upgrade had been included on the facilities plan, but was dropped because there was no money. Jerry said that he could do a cost analysis and the Commission could come up with a proposal.

The motion passed unanimously.

Sue said that the St Louis County Association of Townships wrote a resolution asking the County to respect all Towns' and cities' land use plans as it looks at its CLUP.

Jo said that Lake County used to hear short-term rental conditional uses as either conditional use or interim use, but found that in actuality, they were only hearing them as interim uses, so they changed their Ordinance to reflect that. They also only give short-term rentals one year to prove themselves.

Concerns from the Audience.

Don McTavish said that he agreed with John's suggestions for upgrading audiovisual in the Town Hall. He said that it has been needed for years.

The meeting adjourned at 10:02.

**Draft Text For Commercial Use
As related to Grumdahl Commercial Project**

Article II: Definitions:

Use the existing definition from the zoning ordinance for Commercial Uses

Commercial Use – The principal use of land or buildings is for the sale, lease, rental, or trade of products, goods, and services.

Article V: Table 5.3 Zoning District Land Use Matrix

Add “Commercial Use” to the table

Land Use	FAM-1	FAM-2	FAM-3	MUNS-4	SMU-6	SMU-6A	SMU-8	SCO-8A	SCO-8B	COM-3	LIU-3A
Commercial Use	∅	∅	∅	C	C	C	∅	PS	PS	PS	PS

Article IX: Conditional Uses

Add Section 21. Special Requirements and Conditions for Commercial Uses

In addition to the general criteria and requirements listed in Section 6 of this Article, and the zoning requirements of the zone district in which it is to be located (as described elsewhere in this Zoning Ordinance), the Town of Duluth requires the following conditions for Commercial Uses:

- A. **Road Access:** The parcel where the proposed commercial use is located must lie along and have direct access to any of the following roads:
 1. Homestead Road
 2. Ryan Road
 3. McQuade Road
 4. Lismore Road
 5. That part of the Bergquist Road commencing at the Highway 61 Expressway and terminating at the junction of the Lismore Road.

- B. **Minimum Acreage Required:** The minimum acreage required for the commercial use is two (2) times the minimum lot requirement for the Zoning District.

- C. **Setbacks:** All structures must be set back two (2) times the minimum setbacks for the zoning district for side yards and rear yards.

D. Loading. Space for off-street loading and unloading of vehicles shall be provided for every building used or designed for commercial, light industrial, manufacturing or warehousing purposes. One (1) such space shall be provided for every ten-thousand (10,000) square feet of floor area or fraction thereof, and such spaces shall be a minimum of ten (10) feet in width, and thirty-five (35) feet in length.

E. Parking.

1. Off-street automobile parking or storage space shall be provided on every lot on which any new structures are hereafter established. Such space shall be provided with vehicular access to a street or alley, and such space shall be provided with a suitable area for vehicle turn-around so as to allow vehicles safe entry onto the roadway, and such space shall be deemed to be required open space associated with the permitted use and shall not thereafter be reduced or encroached upon in any manner.
2. When a structure is enlarged, the required off-street parking space shall be provided for the enlarged portion if the enlargement increases the demand for parking. If a use is changed to a different use requiring more parking, additional parking area as determined by the Planning Director shall be provided.
3. Facilities that operate on shifts shall have sufficient parking based on the standards in this section and the maximum number of employees that would park at the facility at any given time.
4. In addition, the following minimum standards shall apply:
 - a. An off-street parking space shall comprise an area with dimensions of nine (9) feet by eighteen (18) feet plus necessary maneuvering space; total area for parking and maneuvering shall not encroach upon any public right-of-way.
 - b. Residential dwellings shall have one (1) parking space for each unit.
 - c. Tourist accommodations shall have one (1) parking space for each room or unit, and one (1) parking space for each non-resident employee.
 - d. Theater, stadium, auditorium, church, or other places of public assembly shall have one (1) parking space for each five (5) seats, based on maximum seating capacity, and one (1) parking space for each employee.
 - e. Stores and other retail business establishments shall have five and one-half (5 ½) parking spaces for each one-thousand (1000) square feet of total floor area, and one (1) parking space for each employee.
 - f. Office buildings shall have one (1) parking space for each two hundred (200) square feet of office floor area.
 - g. Industrial, manufacturing or wholesale establishments shall have one (1) parking space for each three (3) workers, based on peak employment in any one shift.
 - h. Restaurants, supper clubs, taverns and bars shall have one (1) parking space for each four (4) seats, based on maximum seating capacity, and one (1) parking space for each employee.
 - i. Off-street parking areas, whether public or private, for more than five (5) vehicles, shall be effectively screened from residential uses. All public or private parking areas shall be separated from the right-of-way of any road by means of a sod strip not less than three (3) feet in width or other barrier that clearly delineates the parking lot from the road.

F. Screening

1. Screening and/or buffering shall be provided including the use of fences, vegetation, berms, or other methods that reduce visual impact of a structure or use upon adjacent structures or uses. Permanent vegetation with shrubs, small, trees and large trees are preferred.

G. **Hours of Operation.** Hours of operation will be consistent with residential neighborhoods, generally limited to the hours between 7:00 AM and 9:00 PM. Hours of operation will be based on but not limited to the following factors and be limited accordingly.

1. Amount of noise associated with the operation of the business.
2. Intensity and amount of light associated with operation of the business after sunset.

H. **Lighting and Signage.**

1. All lighting and signage shall meet the general requirements of this Ordinance.
2. Signage shall not be lit past hours of operation of the business.

Article VIII. Performance Standards

Add Section XXXX. Performance Standards for Commercial Use in LIU 3A, SCO 8-A, SCO 8-B Districts

A. Loading. Space for off-street loading and unloading of vehicles shall be provided for each building used or designed for light industrial, manufacturing or warehouse purposes. One (1) such space shall be provided for every ten-thousand (10,000) square feet of floor area or fraction thereof, and such spaces shall be a minimum of ten (10) feet in width, thirty-five (35) feet in length.

B. Parking.

1. Facilities that operate on shifts shall have sufficient parking based on the standards in this section and the maximum number of employees that would park at the facility at any given time. In addition, the following minimum standards shall apply.
 - a. An off-street parking space shall comprise an area with dimensions of nine (9) feet by eighteen (18) feet plus necessary maneuvering space; total area for parking and maneuvering shall not encroach upon any public right-of-way.
 - b. Industrial, manufacturing and wholesale establishments shall have one (1) parking space for each three (3) workers, based on peak employment in any one shift.
 - c. Off-street parking areas, whether public or private, for more than five (5) vehicles, shall be effectively screened from residential uses. All public or private parking areas shall be separated from the right-of-way of any road by means of a sod strip not less than three (3) feet in width or other barrier that clearly delineates the parking lot from the road.

C. Hours of Operation. Any light industrial use occurring after 6:00 pm and before 7:00 am shall be conducted within the confines of a structure; exceptions may be allowed on an emergency basis. Any use after 6:00 pm and weekends is limited to 65 decibels at the property line.

D. Screening: Screening and/or buffering shall be provided including the use of fences, vegetation, berms, or other methods that reduce visual impact of a structure or use upon adjacent structures or uses. Permanent vegetation with shrubs, small, trees and large trees are preferred.