The meeting was called to order at 7:04 pm by Chair Jo Thompson.

Present: Jo Thompson, John Schifsky, Jerry Hauge, Liz Strohmayer and Dave Edbloom.

Absent: Wayne Dahlberg and Larry Zanko.

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

The agenda was approved with the addition of AV proposals under old business by Jerry Hauge.

**Ring Bed and Breakfast CUP Hearing**

Sue introduced the hearing and the process for the hearing.

The hearing is for a conditional use for a bed and breakfast in the Ring’s home at 5736 North Shore Dr. The zone district is SMU-6. Sue read the definition of SMU-6 from the Ordinance: “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.” All of the dimensional requirements are met. Sue showed the vicinity map and site maps for the property. She read the definition of Bed and Breakfast from the Ordinance: “A building designed as a single-family dwelling containing from one (1) to six (6) dwelling units providing lodging accommodations by prior arrangement, for compensation, with restrictions on the time involved. The primary residence in the building must be occupied by the building owner on a permanent basis. It may or may not include serving of meals to guests. It must have an approved sewage disposal system.”

Sue read the Ring’s description of the proposed use from their application:

(They plan to) convert lower level of home into a Bed and Breakfast. No new construction is required. The Bed and Breakfast consists of two bedrooms, a living room, kitchen, eating area and bathroom. The area was included as part of the original construction and was used for our children. Both children have moved out so the area is not now used. We will continue to live in the main living area of the home.

Sue went through the questions from the application regarding the use and the Ring’s answers to those questions. The hours of operation would be check-in at 3 pm and check-out at 11 am, but they hope to have customers staying more than one night, so there would guest activity at other times, as well. The maximum number of guests they plan to have is 4, so there would be up to 6 visitors, including the Rings, to the site per day. There will be no employees or additional deliveries. They do not expect more than 2 additional cars per day while there are guests at the bed and breakfast, which is the same as there were when their children were home. The maximum number of cars at the site in a day would be 4. They have adequate on-site parking for this number of vehicles. They do not plan on any signage.

Regarding activities at the bed and breakfast, the Rings state that they expect some increase in use of the existing fire ring and they will provide a barbecue grill. Otherwise, there will be no additional dust, smoke, smells, pollution, etc. Noise from the operation will not be heard on adjacent properties. There are no proposed structures; the structure already exists. There will be no outdoor work or storage areas. There are no wetlands on the property, but they stated that “water from snowmelt and rain runs on the east and west sides of the lot to the lake. This does sometimes result in short term standing water in low spots until it is absorbed by the ground.”
Wastewater is handled by DNSSD and water will be supplied by the existing well. The only waste will be household garbage and that will be disposed of using local waste services.

Sue summarized the Community Participation Report: The Rings contacted sixteen neighbors and received feedback from four. The comments from those four were all supportive of the efforts. They received no negative concerns from any of the neighbors. Comments included a belief that the bed and breakfast would be a benefit to the community because it will offer a rental unit close to their home for their visiting relatives. Neighbors also believed that the bed and breakfast will continue a community tradition of lake front rentals for vacationers. They also believe that the bed and breakfast will draw vacationers to the Township and contribute to its growth by introducing them to its many benefits. As vacationers enjoy the community, they will support nearby businesses. They feel that this bed and breakfast will be a benefit not only to them, but to the Duluth Township community as well.

John asked where the fire ring was sited. Daniel said that it was on the south side of the house.

**Public Testimony**

No one signed up to speak.

One email was received by the Town from Ned Huhta. Beth read it:

As owner of Parcel ID Numbers: 315-0010-00510 and 315-0010-00545 I received physical mail notice from your office of the Ring’s Conditional Use Permit to rent a portion their home. I have also received the letter from the Ring’s. I must first compliment the Duluth Township for your Conditional Use Permit process that includes Community participation. After review of the information provided, I desire to support their Conditional Use Permit request to rent a portion of home under the responsible conditions they have outlined. Their proposal is very well thought out and should be compatible with continued high quality of life in the area. Additionally, it should be opportunistic for visitors to enjoy the area highlights in an authentic way, a very positive reflection of the Duluth Township and surrounding areas.

If further information is needed, please free to contact me

Ned Huhta

Sue explained the difference between an interim use and a conditional use. It is up to the Commission to determine which use best fits the proposal. The conditional use process is used for both uses.

Sue read the 12 criteria for making a decision for a conditional/interim use from the application and the Rings’ responses to those criteria. A conditional or interim use permit can be granted only upon meeting all of the criteria.

1. The proposed use is consistent with the Comprehensive Plan and within the spirit and intent of this Ordinance. **Applicant states:** Our bed and breakfast will allow us to productively use our home to increase tourism in our community. This increase is expected to promote greater demand for area tourist businesses. We also expect to provide a service to the community by offering close, convenient, lodging for guests of community residents. The added income the bed and breakfast will provide to us will allow us to maintain our existing lot of almost four acres. We have and will continue to keep at least half of the lot open space to help maintain the rural nature of our community. This request is consistent with the property's SMU-6 zoning. The principal use of the property and the house will continue to be our home. The secondary use for which this permit is requested, is consistent with other short-term rental units in the community. The property satisfies all setback standards established by the community for both resident and short-term
rental property. Our property does include Lake Superior shoreline but it does not include a beach. The first approximately fifty feet of our property along the shoreline is not maintained and thus remains natural. It is also rip rapped, so access to the lake is not easy. We do not expect use of the lake except for enjoyment of its natural beauty and the personal serenity that the lake offers.

2. The use is compatible with the existing neighborhood.
   Applicant states: Our plans require no new construction or landscaping, allowing us to offer the bed and breakfast service without disrupting the community and without impact to the Township's future development. As a small business with only one to four guests at a time, we expect our guests to enjoy the rural and natural activities offered by the community without negatively impacting our environment. Our home and landscaping will remain unchanged from when we purchased the property and built our home twelve years ago. We will work to maintain the natural beauty and rural nature of our home for as long as we are here. As mentioned above, the bed and breakfast will fit with the community's existing short-term rental facilities. We will also continue a longstanding community tradition of offering accommodations to those outside the community. This includes the four cabin units that used to be available but that were removed when our neighbors purchased their property. We hope to share the benefits of our community with those who live outside the community.

3. The use will not impede the normal and orderly development and improvement in the surrounding area of uses permitted by right in the zone district.
   Applicant states: We expect our bed and breakfast to have only a positive impact on current or future development in the community.

4. The location and character of the proposed use is considered to be consistent with a desirable pattern of development for the area.
   Applicant states: Our community consists of residential homes, personal summer retreats, some short- and long-term rental units and rural undeveloped property. We hope to maintain our property as our residence with an offer to share part of it with others as a short-term rental. We think it is an ideal fit to the current nature of the community and expect it to fit future development.

5. The proposed use will comply with the wetlands requirements in Article III, Section 6 of this Ordinance.
   Applicant states: Yes. No wetlands exist.

6. The total amount of impervious surfaces will not exceed that allowed in the zoning district where the conditional/interim use would occur.
   Applicant states: No.

7. The topography, vegetation and soil conditions are adequate to accommodate the proposed use.
   Applicant states: Yes. We expect no increased demand on the landscape since any impact created by the B + B will be offset by the reductions resulting from our children’s departure.

8. The proposed use will not impact public waters during or after construction or impact wetlands without appropriate mitigation measures.
   Applicant states: No.

9. Adequate utilities (water supply, wastewater treatment), access, drainage, stormwater retention, and supporting facilities have been provided or are being provided backed by appropriate financial assurance.
   Applicant states: We expect no increase in demand since our children are moving. We use a private well for water and its capacity is adequate to supply both us and our guests. DNSSD provides our sewer service. Sewer service has also been adequate and will be appropriate for our future needs.
10. The proposed use will not create potential health and safety, environmental, lighting, noise, signing, or visual problems.

   Applicant states: No problems are expected with the above items.

11. The location of the site is appropriate with respect to existing or future access roads.

   Applicant states: The demand placed on public roads and other public facilities is expected to be insignificant. With our children moving there may be a decrease in demand.

12. The demand for public services, such as police and fire protection, solid waste disposal, schools, road maintenance, sewer and water facilities, which would be affected by the proposed use, and the adequacy of existing services to meet the increased demand can be met.

   Applicant states: No increase is expected.

John said at one point in the application, there was a reference to construction. Will any construction be needed? Dan said no construction is expected.

John Schifsky moved to hear the request of Dan and Sylva Ring for a bed and breakfast at their home at 5736 North Shore Drive as an interim use because there is a potential for heightened concern for public health and safety and the Commission would like to monitor the impact of the use on the community during that interim time. Dave Edblom seconded.

The motion passed unanimously.

Liz Strohmayer made a motion to approve the interim use. John Schifsky seconded.

Liz Strohmayer made a motion to split the motion. Dave Edblom seconded.

The motion passed unanimously.

John Schifsky made a motion that the proposed use is consistent with the Comprehensive Plan and within the spirit and intent of this Ordinance because, from page 12 of the CLUP: “Tourism activities are in harmony with Duluth Township’s historic and rural character and its natural amenities. Tourism is not a dominant economic activity; its activities are locally based or compatible with local commercial services.” Jerry Hauge seconded.

The motion passed unanimously.

Dave Edblom made a motion that the use is compatible with the existing neighborhood because it will not alter what goes on there every day. Liz Strohmayer seconded.

The motion passed unanimously.

Liz Strohmayer made a motion that the use will not impede the normal and orderly development and improvement in the surrounding area of uses permitted by right in the zone district because there is no construction planned and any impact will be minimal. Dave Edblom seconded.

The motion passed unanimously.

John Schifsky made a motion that the location and character of the proposed use is considered to be consistent with a desirable pattern of development for the area because, as the applicants stated, “Our community consists of residential homes, personal summer retreats, some short- and long-term rental units, and rural undeveloped
property. We hope to maintain our property as our residence with an offer to share part of it with others as a short-term rental.” Liz Strohmayer seconded.

The motion passed unanimously.

Jo Thompson made a motion that there are no wetlands on the property so the wetlands requirements in Article III, Section 6 of the Ordinance do not apply. Liz Strohmayer seconded.

The motion passed unanimously.

Dave Edblom made a motion that the total amount of impervious surfaces will not exceed that allowed in the zoning district where the conditional/interim use would occur because they are not increasing the footprint and there will be no construction. They are well under the permitted amount of impervious surface area. Jerry Hauge seconded.

The motion passed unanimously.

Jerry Hauge made a motion that the topography, vegetation and soil conditions are adequate to accommodate the proposed use because there will be no change to the property. John Schifsky seconded.

The motion passed unanimously.

Jo Thompson made a motion that the proposed use will not impact public waters during or after construction or impact wetlands without appropriate mitigation measures because there will be no construction so this condition does not apply. John Schifsky seconded.

The motion passed unanimously.

John Schifsky made a motion that there are adequate utilities (water supply, wastewater treatment), because they are served by DNSSD and, in addition, the facilities have been adequate for a family of four so the rental will not strain the facilities. Jerry Hauge seconded.

The motion passed unanimously.

Dave Edblom made a motion that the proposed use will not create potential health and safety, environmental, lighting, noise, signing, or visual problems because the impact of the proposal is very low. Jerry Hauge seconded.

Jo said that by hearing the use as an interim use, the Town will be able to monitor any potential health or safety hazards. Liz agreed.

The motion passed unanimously.

Liz Strohmayer made a motion that the location of the site is appropriate with respect to existing or future access roads because the building is already in place and there won’t be any addition that will impact the use. Added traffic will be minimal. Dave Edblom seconded.

The motion passed unanimously.

Liz Strohmayer made a motion that the demand for public services, such as police and fire protection, solid waste disposal, schools, road maintenance, sewer and water facilities would not be increased by the proposed use. The
existing services are adequate because demand will not be significantly increased. Since the use is being heard as an interim use, if there is additional demand it can be addressed. John Schifsky seconded.

The motion passed unanimously.

Conditions

John Schifsky moved that the owners shall obtain any and all licenses, permits, or other governmental approvals required by any governmental agency, board, department, or other governmental entity with jurisdiction as a condition of the interim use. Dave Edblom seconded.

The motion passed unanimously.

Liz Strohmayer made a motion that the owners maintain a record of the rentals for the period of the interim use. She said that it has been very helpful to see the records in other cases. Jerry Hauge seconded.

John said that the request for records is based on the assumption that the applicants may return to request an extension of their permit.

The motion passed unanimously.

John asked how many days per year they expected to rent? Daniel said that he didn’t really know. He said that they expected to rent most weekends in the summer. They expect that their activity will be similar to the nearby Lighthouse rental.

Jo asked if they might have a sign. Daniel said they were not planning on any signs.

Jo made a motion that all parking be on-site. John Schifsky seconded.

The motion passed unanimously.

John Schifsky made a motion that the interim use be for a period of three years, commencing on May 1, 2018. Jerry Hauge seconded.

The motion passed unanimously.

The main motion to approve the interim use for the bed and breakfast, including the conditions as set above, was approved unanimously.

The March 22, 2018 minutes were approved with the correction of one typo.

New Business

Sue said that there was an application for a conditional use for a short-term rental on the corner of Alseth and the expressway to be heard at the May meeting. The Commission needed to determine the notification area.

Jo said that because it’s a Township road, it would be nice to get input from everyone on the segment of Alseth between the expressway and Scenic Drive.

The Commission determined that the notification area would be the required one-quarter mile plus both sides of Alseth down to Scenic Drive if that area was outside the quarter mile area.
Director’s Report

Sue introduced Dale Lewis. Dale is planning on building a single-family dwelling on her property and using an existing apartment on the property for farm help. She lives on East Pioneer Road. Sue showed a drawing of the parcel. The driveway is on the east side of the property. There is a riding arena with an attached barn with an apartment above the barn portion. Dale plans to build the single-family dwelling north of the barn.

Dale said that they have owned the property since 1988 and built the arena and barn/apartment in 2004/05. At that time, they applied for a variance because their plan had more impervious surface than was allowed by the Ordinance. When they applied for the variance, they included allocations for impervious surface for the home they planned on building in the future. All runoff from the current buildings goes into a retention pond. The new house will be on the other side of the divide and runoff from it will go to the north/northwest into the Sucker River drainage instead of the French River. It will not tie into the retention pond. They applied for a land use permit to build the house. But because they plan on using the apartment as a second residence once they move into the new house, Sue suggested that they get clarification from the Commission as to whether a conditional use would be needed.

John asked about the existing buildings. Dale said that the indoor arena is 60 by 120 and is insulated and heated. The stable houses 4 horses, possibly 5. There is a two-bedroom apartment above the barn. There is also a hay and machine barn separate from the horse building. Their site is more like a village with all of the buildings looking similar instead of having one large building.

Dale’s plan is to have a helper living in the apartment they currently live in once the home is built. But the Ordinance says that you can only have one single family dwelling per parcel. So would that be a subordinate residence which requires a conditional use permit? The lot cannot be split and still meet the zoning requirements.

Jo asked how large the parcel was. Dale said it was 10 acres. The minimum lot size in FAM-3 is 10 acres.

John read the definition for a subordinate residential dwelling: “A secondary residential structure to accommodate family members.” John thought it would require a conditional use.

The Commission decided that it would require a conditional use for a subordinate residential dwelling and that they would hear it at the regular May meeting. They agreed that the required one-quarter mile notification area would be adequate.

Sue said that the old antique shop at 5437 North Shore Drive is for sale and an interested party has inquired about it. The shop currently sells antiques, collectables, books, etc. The interested party is looking at it for art sales, exhibits, etc. and may have artists in the loft during exhibitions. The property is in SMU-6a. The definition of SMU-6a is:

This district is intended for the limited expansion of certain waterfront commercial activities on the shores of Lake Superior where nodes of residential and commercial uses currently coexist. Existing residential lifestyles and property values will be protected when considering the limited expansion of commercial activities.

It seemed to her that it is a similar business to the one already in place there and that it would meet the definition and performance standards for SMU-6a.

John said that he lives nearby and that there is plenty of parking. He said that he doesn’t see that it would change the neighborhood significantly. It is right off Nordlin Road which makes it more isolated. The loft space is not currently a dwelling space.
The Commission agreed that the use would be compatible with the neighborhood.

Jo asked if they can be required to hook up to DNSSD. John said that because it was not a dwelling, they weren’t required to hook up to DNSSD. Rolf said that John Kestler’s shop had not been connected to the DNSSD system either because it was not a dwelling.

Next up were officer elections. Dave nominated Jo for Chair. Liz seconded. Dave nominated Wayne for Vice Chair. Jerry seconded. Both were approved unanimously.

Jerry presented two quotes for outfitting the Town Hall main meeting space with audiovisual. The quotes included a 9.5 by 6 ft screen on one of the walls or two flat panels, speakers in the ceiling, 3 wireless mikes plus 1 to be passed, and a projector. The quotes suggested 8 directional speakers to fill the whole room. One quote came in at $13,058.09 and the other at $17,220.15. Both allow the ability to lock out the control panel. Jerry said he would recommend putting security on it. The screen cannot legally block a door. The quotes assume we will get electrical power to where they need it. Otherwise they include everything.

John asked if it would be possible to pare it down to $10,000. Jerry said it would be hard to get it down below $10,000. The microphone system was about $2,000.

John said that maybe the sound system could be added later. For the upcoming Sami cultural event, they will be bringing the sound system. Maybe figure out what the screen and projector cost would be and add the sound system later.

Jerry said if there wasn’t a sound system, you would not be able to project sound for a video.

Sue said that the musicians at the fall fire department fundraiser bring their own system, too. Another option is to go with a small sound board with a couple speakers, too. The projector the Town currently is using is 15 years old and was $500 or $600 at the time.

Jerry said that good projectors are expensive. We would need control panels on the wall if the projector is in the ceiling. There are wireless projectors, but neither company said that they could guarantee that it would work well.

John asked if everything would have to be redone if sound was added in a year or two. Jerry said it might be double the labor.

Liz said that they waited too long to add sound, there might be compatibility issues. Would 4 speakers instead of 8 work? Jerry said that if the installation did not provide good sound quality, the companies might not be willing to do it.

Jerry agreed to break the quotes down and present them to the Town Board at their next meeting.

Sue said that the Board had their work meeting and Rolf is on for one more year as liaison to the Planning Commission. Barb is in charge of communication and fire hall, Penny has administration, Rolf has cemetery and Planning and Zoning, Dave has Chair duties, Corlis has roads, and everyone has responsibility for the Town Hall.

For the Commission’s program of work for the coming year, Sue said she will be submitting a grant to the Coastal Program in June for work on the Comprehensive Land Use Plan. In updating the CLUP, she hopes that more policies and goals can be developed and incorporated that will help the Commission when making decisions on variances and conditional uses as well. The Town’s status as a regulated MS4 is new since the last CLUP. In addition, short term rentals were not even on the radar when the CLUP was originally created.
Jo said that she would like to look at a few things in the Ordinance. First, consider changing the Ordinance so a variance is not required for a driveway meeting all of the criteria with a legal easement. She would also like to clarify the language for combining contiguous lots. And she would like to consider hearing all applications for BnBs and short-term rentals as interim use instead of conditional use.

Sue said that as for the ongoing work the Commission has done on Greenwood Road, it may make more sense at this point to update the CLUP and then look at it again.

John noted that there has been a real uptick in BnBs and short-term rental applications in the last half year or so. We have the language in the Ordinance, but are there other long-term implications to this shift?

Dave agreed. He said that it has seemed clear so far, but is there a point at which you’ve gone too far or you need to say we have enough?

Sue said that a major challenge with comprehensive land use planning is recognizing cumulative effects and planning for them, whether negative or positive.

Jo said a continuing increase in short-term rentals could lead to an increased demand for services.

The finding of fact and decision document for the Ring interim use was reviewed and approved.

The meeting adjourned at 9:40.