

MINUTES OF A PUBLIC HEARING CONDUCTED BY THE ST. LOUIS COUNTY PLANNING COMMISSION HELD VIRTUALLY ON THURSDAY, FEBRUARY 11, 2021.

9:00 AM – 11:18 AM

Planning Commission members in attendance: Steve Filipovich
Daniel Manick (until 10:20)
Commissioner Keith Nelson (until 10:30)
Dave Pollock
Roger Skraba, Chair
Ray Svatos
Diana Werschay

Planning Commission members absent: David Anderson
Sonya Pineo

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

ELECTION OF OFFICERS

Motion by Filipovich/Manick to elect Roger Skraba as Chair.

In Favor: Filipovich, Manick, Nelson, Pollock, Skraba, Svatos, Werschay - 7

Opposed: None – 0

Motion by Nelson/Pollock to elect Daniel Manick as Vice-Chair.

In Favor: Filipovich, Manick, Nelson, Pollock, Skraba, Svatos, Werschay - 7

Opposed: None – 0

NEW BUSINESS:

- A. Enbridge Energy, Limited Partnership, a conditional use permit to establish an equipment staging site as an Industrial Use – Class II.
- B. Vermillion Gold, Inc., a conditional use permit to allow a mineral exploration operation as a Mineral Exploration and Evaluation Use; and a waiver from St. Louis County Zoning Ordinance 62, Article VI, Section 6.28, A.2., to allow the operation to be located less than one-quarter of a mile from a residence.
- C. Michael Jambor, a conditional use permit for a Short Term Rental as a Residential Use - Class II.

OTHER BUSINESS:

Motion by Manick/Filipovich to approve the minutes of the December 10, 2020 meeting.

In Favor: Filipovich, Manick, Nelson, Pollock, Skraba, Svatos, Werschay – 7

Opposed: None – 0

Motion carried 7-0

Commissioner *Nelson* updated the Planning Commission on a 3-2 vote from the Fredenberg Town Board to keep St. Louis County as the zoning authority.

Jenny Bourbonais, Acting Secretary, introduced the Planning Commission to the new Land Use Planner, Paige Melius, and announced Ryan Logan as the new manager for Onsite Wastewater and Water division.

Commissioner *Nelson* added that in mid-March the County Board will have a workshop to plan for county staff to return to the office.

NEW BUSINESS:

Enbridge Energy, Limited Partnership

The first hearing item was for Enbridge Energy, Limited Partnership, a conditional use permit to establish an equipment staging site as an Industrial Use – Class II. The property is located in S20, T51N, R21W (Halden). *Donald Rigney*, St. Louis County Senior Planner, reviewed the staff report as follows:

- A. The applicant is proposing to establish a temporary contractor yard.
- B. The yard will be used for timber staging, equipment staging, material staging and parking to support the replacement pipeline project.
- C. The site will have security lighting and will be utilized 24 hours per day, seven days per week.
- D. The applicant does not anticipate continuous operations, but states the contractor will need to have the ability to access the yard at various times throughout construction.
- E. The applicant estimated that the proposed use will increase traffic by greater than 25 vehicles.
- F. It is anticipated that construction will be completed by the end of 2021.
- G. There are two portions of the property with a low, wetland area in the central part of both lots. This wetland is a drainage into the East Savannah River.

Donald Rigney reviewed staff facts and findings as follows:

- A. Plans and Official Controls:
 - 1. Zoning Ordinance 62, Article V, Section 5.6A requires a conditional use permit for an Industrial Use – Class II.
 - 2. The subject parcels fall within the Forest and Agriculture (FA) category of the St. Louis County Comprehensive Land Use Plan. This area is intended primarily for forest and/or agriculture uses. These areas are not intended for future rural or urban development.
 - 3. The St. Louis County Comprehensive Land Use Plan specifically addresses the criteria used to determine the location of industrial development as it relates to the future land use map. Industrial sites should have direct access to an arterial or collector road or railroad spur, avoid wetlands, residential areas and is located where there has been extensive ground disturbance from previous industrial development or gravel operations.

- a. The proposed site does not have direct access to an arterial road, collector road or railroad spur and is not located on a previously permitted borrow pit or industrial site.
- b. There is limited residential development in the area.
- c. There are no wetland impacts anticipated based on the application; however, there is wetland present within the boundaries of the proposed staging area.
4. Goal LU-8 of the St. Louis County Comprehensive Land Use Plan is to provide sufficient opportunities for industrial development within the county in areas suitable for such development.

B. Neighborhood Compatibility:

1. The property is zoned Forest Agriculture Management (FAM)-2 which allows for multiple uses including commercial, industrial and residential.
2. Other than the existing on-site residence, there are two residential dwellings within one-quarter mile of the contractor yard.
3. The surrounding area consists of large tracts of forested and agricultural land. These large tracts of land are under both private and public ownership.
4. There are no anticipated impacts associated with smoke, odor or pollution from the proposal.
5. Noise from the activity consists of truck traffic and loading and unloading equipment and materials.
6. There is approximately a 2.4 mile stretch of Laurie Road between the proposed site and Highway 2 that is not paved. Not including the dwelling onsite, there are eight dwellings on this stretch of unpaved road that may be impacted by dust caused by increased truck traffic.

C. Orderly Development:

1. The area consists of large tracts of land with limited development.
2. The property access is approximately 6.7 miles from Highway 2, which is designated as an arterial road.

D. Desired Pattern of Development:

1. The land use in the area is primarily a mix of forest/agricultural with limited residential on large tracts of land. There are also large tracts of public land.
2. When the staging site is no longer needed, the site will be restored back to its original state which is consistent with the normal pattern of development in the area.

E. Other Factor:

1. This type of use may be best suited as an interim use per St. Louis County Zoning Ordinance 62, Article VIII, Section 8.3. It is recommended that an ordinance amendment be considered in the future to address temporary industrial sites.

Donald Rigney noted no items of correspondence.

STAFF RECOMMENDATION

In the event that the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit to allow an equipment staging site as an Industrial Use – Class II, the following conditions shall apply:

Conditions precedent:

1. Applicant shall obtain approval for access from the appropriate road authority.
2. A wetland delineation shall be required.

Conditions concurrent:

1. The conditional use permit for the Industrial Use – Class II shall expire upon completion of the construction phase of the pipeline project.
2. Waste shall be disposed in a manner acceptable to St. Louis County Solid Waste Ordinance 45.
3. Lighting shall be directed downward in accordance with dark sky standards.
4. The property shall be kept in a neat and orderly manner.
5. The Minnesota Wetland Conservation Act shall be followed.
6. St. Louis County Floodplain Ordinance 43 and FEMA floodplain standards shall be followed.
7. Dust control measures shall be implemented, as necessary, from equipment staging site to the nearest paved road.
8. The applicant shall comply with all county, state and federal regulations.

Trevor Lindblom, Enbridge Energy, stated that there is one staging yard along Highway 2 that is currently in use. The use for both that yard and this request are similar. They have a 404 permit from the Army Corps of Engineers for the wetland located on this property. They will have to bridge over the stream if they choose to cross over the wetland. They would prefer not to use calcium chloride as dust control measures so as not to introduce that to the pipe. They have the access permits and a lease agreement in place to access the site and to use the property. They have reached out to the neighborhood and have heard no concerns. They do have crews working around the clock that could use the site.

No audience members spoke.

The *Planning Commission* discussed the following:

- A. Commission member *Svatos* asked if this conditional use permit is similar to another equipment staging CUP near this area the Planning Commission approved in 2020. *Donald Rigney* stated that there have been other equipment staging conditional use permits approved. *Jenny Bourbonais*, Acting Secretary, stated there have been other approvals in the general vicinity with no issues or complaints.
- B. Commission member *Filipovich* asked if anyone would be driving over the wetland area. *Donald Rigney* stated there is an access to both sides of the yards. This wetland is not a designated tributary and falls under the Wetland Conservation Act.
- C. Commission member *Manick* asked if the Planning Commission can ask the applicant what to do for dust control. Commission member *Skraba* asked if the Planning Commission could be specific on what can be used for dust control. *Jenny Bourbonais* stated the

Planning Commission can add that as a condition, but staff does not recommend a specific dust control.

DECISION

Motion by Manick/Nelson to approve a conditional use permit to allow for an equipment staging site as an Industrial Use – Class II, based on the following staff facts and findings:

A. Plans and Official Controls:

1. Zoning Ordinance 62, Article V, Section 5.6A requires a conditional use permit for an Industrial Use – Class II.
2. The subject parcels fall within the Forest and Agriculture (FA) category of the St. Louis County Comprehensive Land Use Plan. This area is intended primarily for forest and/or agriculture uses. These areas are not intended for future rural or urban development.
3. The St. Louis County Comprehensive Land Use Plan specifically addresses the criteria used to determine the location of industrial development as it relates to the future land use map. Industrial sites should have direct access to an arterial or collector road or railroad spur, avoid wetlands, residential areas and is located where there has been extensive ground disturbance from previous industrial development or gravel operations.
 - a. The proposed site does not have direct access to an arterial road, collector road or railroad spur and is not located on a previously permitted borrow pit or industrial site.
 - b. There is limited residential development in the area.
 - c. There are no wetland impacts anticipated based on the application; however, there is wetland present within the boundaries of the proposed staging area.
4. Goal LU-8 of the St. Louis County Comprehensive Land Use Plan is to provide sufficient opportunities for industrial development within the county in areas suitable for such development.

B. Neighborhood Compatibility:

1. The property is zoned Forest Agriculture Management (FAM)-2 which allows for multiple uses including commercial, industrial and residential.
2. Other than the existing on-site residence, there are two residential dwellings within one-quarter mile of the contractor yard.
3. The surrounding area consists of large tracts of forested and agricultural land. These large tracts of land are under both private and public ownership.
4. There are no anticipated impacts associated with smoke, odor or pollution from the proposal.
5. Noise from the activity consists of truck traffic and loading and unloading equipment and materials.
6. There is approximately a 2.4 mile stretch of Laurie Road between the proposed site and Highway 2 that is not paved. Not including the dwelling onsite, there are eight dwellings on this stretch of unpaved road that may be impacted by dust caused by increased truck traffic.

C. Orderly Development:

1. The area consists of large tracts of land with limited development.
2. The property access is approximately 6.7 miles from Highway 2, which is designated as an arterial road.

D. Desired Pattern of Development:

1. The land use in the area is primarily a mix of forest/agricultural with limited residential on large tracts of land. There are also large tracts of public land.
2. When the staging site is no longer needed, the site will be restored back to its original state which is consistent with the normal pattern of development in the area.

E. Other Factor:

1. This type of use may be best suited as an interim use per St. Louis County Zoning Ordinance 62, Article VIII, Section 8.3. It is recommended that an ordinance amendment be considered in the future to address temporary industrial sites.

The following conditions shall apply:

Conditions precedent:

1. Applicant shall obtain approval for access from the appropriate road authority.
2. A wetland delineation shall be required.

Conditions concurrent:

1. The conditional use permit for the Industrial Use – Class II shall expire upon completion of the construction phase of the pipeline project.
2. Waste shall be disposed in a manner acceptable to St. Louis County Solid Waste Ordinance 45.
3. Lighting shall be directed downward in accordance with dark sky standards.
4. The property shall be kept in a neat and orderly manner.
5. The Minnesota Wetland Conservation Act shall be followed.
6. St. Louis County Floodplain Ordinance 43 and FEMA floodplain standards shall be followed.
7. Dust control measures shall be implemented, as necessary, from equipment staging site to the nearest paved road.
8. The applicant shall comply with all county, state and federal regulations.

In Favor: Filipovich, Manick, Nelson, Pollock, Skraba, Svatos, Werschay - 7

Opposed: None - 0

Motion carries 7-0

Vermillion Gold

The second hearing item was for Vermillion Gold, Inc., a conditional use permit to allow a mineral exploration operation as a Mineral Exploration and Evaluation Use; and a waiver from St. Louis County Zoning Ordinance 62, Article VI, Section 6.28, A.2., to allow the operation to be located less than one-quarter of a mile from a residence. The property is located in S12, T62N, R20W (Linden Grove).

Jared Ecklund, St. Louis County Senior Planner, reviewed the staff report as follows:

- A. The applicant is requesting a drilling operation as a Mineral Exploration/Evaluation use.
- B. The operation uses a 4 inch rotosonic drill to obtain soil samples for evaluation.
- C. The proposed operation is stated by the applicant to be similar to drilling a well.
- D. Materials are collected from the surface down to the bedrock (estimated to be between 100 to 150 feet from the surface).
- E. Site prep for the site includes some brushing and snow clearing.
- F. Equipment on the site will include the drilling rig, enclosed supply trailer, water/drill rod truck and an employee pickup.
- G. The applicant is also requesting a waiver for the proposed operation to be located within one-quarter mile from a residence. Zoning Ordinance 62 requires the operation to be located at least one-quarter mile from a residence.
- H. There are two residences located within one-quarter mile from the proposed operation. One residence is located approximately 450 feet from the proposed drill site. The other residence is located approximately 770 feet from the proposed drill site.
- I. There are other residences located beyond one-quarter mile of the drill site.

Jared Ecklund reviewed staff facts and findings as follows:

- A. Plans and Official Controls:
 1. Zoning Ordinance 62 requires a conditional use permit for the proposed Mineral Exploration and Evaluation use in this zone district.
 2. Zoning Ordinance 62, Article VI, Section 6.28 states that the operations shall be a minimum of one-quarter mile from a residence; the applicant is proposing the operation to be located approximately 450 and 770 feet from two different residences.
 3. The property is located within the Forest and Agriculture category of the future land use map in the St. Louis County Comprehensive Land Use Plan.
 - a. These areas are intended primarily for forestry and farming activities.
 - b. These areas are not intended for future rural or urban development.
- B. Neighborhood Compatibility:
 1. There are five dwellings located within a half-mile from the proposed operation.
 - a. All of these dwellings are located on the south side of Highway 1 while the proposed use is on the north side of Highway 1.
 - b. One dwelling appears to be year-round while the others appear to be seasonal.
 2. Much of the remaining surrounding area appears to be vacant or undeveloped.
 3. There are two accessory structures located on the adjacent parcel to the west.
 - a. This parcel is owned by the same landowner as the subject parcel.
 - b. The applicant has a lease agreement with this landowner for the proposal.
 4. This use requires a conditional use permit to allow neighboring landowners to provide comment on how the use may impact the development in the area.
- C. Orderly Development:
 1. The development density in the general area is fairly low.
 - a. It is not anticipated that the development density would be increased significantly in the future.

2. The proposed operation would be on the site for a limited amount of time, during the winter.
 - a. The applicant stated that the drill hole can be completed in 1 to 1.5 days.
3. The operation would have a limited impact on the development in the area, since it is anticipated to be a very short term operation.
 - a. Noise from the operation may be heard by residents in the area.
 - b. Many of these residents appear to be seasonal and the property may not be used much in the winter months.

D. Desired Pattern of Development:

1. The proposed operation would have very little impact on future development in the area.
 - a. Zoning Ordinance 62, Article VI, Section 6.28 C. states that in authorizing mineral exploration and evaluation, the county is not in any way authorizing the mining and processing of minerals.
 - b. If minerals are found on the site, obtaining those minerals would require several additional permitting processes.
2. Once sampling has been completed, the hole is grouted according to the Minnesota Department of Health standards.

E. Other Factors:

1. The location of the operation may be located in a wetland area on the property.
 - a. All Wetland Conservation Act requirements would need to be met.
2. Based on information provided by the applicant, there is typically very little impact to the drill site.
 - a. The applicant stated that winter drilling minimizes the damage to the site.
 - b. Once the operation is complete and restored, there is very little evidence of the operation.

Jared Ecklund noted two items of correspondence from Gary Groves and Jean Seinola and Tanya Lahti in opposition. Both items had been provided to the Planning Commission prior to the hearing. An additional item from the Town of Linden Grove was read into the record in opposition to the request.

STAFF RECOMMENDATION

In the event that the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit to allow a mineral exploration operation as a Mineral Exploration and Evaluation use and a waiver to allow the operation to be located less than one-quarter of a mile from a residence, the following conditions shall apply:

1. The applicant shall obtain approval for access from the appropriate road authority.
2. All county, state and federal regulations shall be met.
3. The standards of the Wetland Conservation Act requirements shall be met.

Kate Lehmann, applicant and President of Vermillion Gold, stated there is no reason that the time duration would take longer than indicated on the application. There could be an equipment

malfunction or a boulder could slow things down. RGGS and the state of Minnesota have mineral rights in the area. Vermillion Gold has a mineral rights lease and they have been conducting exploration activity in this area for years. If they discovered anything of interest, that would enter into a new process that is complex and highly regulated. The reason why the conditional use permit is required is because both the surface and mineral rights are owned by private parties. If another property in the area had a private surface landowner and the state owned the mineral rights, they would work with the Department of Natural Resources. Half of the core typically would be turned over to the DNR.

She added that this conditional use permit is for a single hole that would be completed in 1 to 1.5 days. They have dug another hole in the area, but the surface and mineral rights configuration is different and it involves tax-forfeit property. They are working with the St. Louis County Land and Minerals Department, which authorized their access to that property.

Two members of the audience spoke in opposition:

Gary Groves, 10852 Highway 1, stated they chose this remote area to live in their retirement for the quiet, rural life. The property is located between one-quarter and one-half mile from the proposed drill site. They are concerned about the potential damage to their property and groundwater, noise from the operation and the disruption to the local wildlife. Mr. Groves believes this project should not be granted based on the criteria for Planning Commission approval.

The Linden Grove Town Board voted to oppose this request. The staff report did not adequately address the waiver to the residences located within one-quarter mile of this drill site. The drill site is in or very near wetlands. As residences, it is their responsibility to protect this wetland drainage into the Little Fork River.

Jean Seinola, 10852 Highway 1, stated, in her opinion, this application does not meet the criteria for Planning Commission approval. This use does not conform to the land use plan. The proposed use is not compatible with the existing neighborhood. They are one of two full-time residences that live year-round. All of the properties in this neighborhood is used as intended in the Land Use Plan. This land is for agricultural and residential use. They use their property for winter recreation and to observe and track wildlife. They have spoken with other property owners that have been negatively impacted by drilling operation. One residence was impacted with sediment in their well and the other residence had trespassing issues. The location and character of the proposed use is not consistent with a desirable pattern of development in this rural community. The proposed use may certainly impede and normal and orderly development and improvement of the surrounding area because of the proximity to a wetland area on the property and those properties located within one-quarter mile.

No other audience members spoke.

The *Planning Commission* discussed the following:

- A. Commission member *Manick* asked about drilling a well on this property. *Jared Ecklund* stated St. Louis County does not permit well drilling on residential properties; wells are permitted by the Minnesota Department of Health. The applicant is working with the

Minnesota Department of Health on this application which may have similar criteria or requirements.

- B. Commission member *Svatos* asked if this process only takes 1 to 1.5 days. *Jared Ecklund* stated that the information submitted by the applicant said that the drilling could be completed within 1 to 1.5 days. It is unknown if anything could delay or lengthen that process.
- C. Commissioner *Nelson* asked if both objecting parties are outside the one-quarter mile radius and outside of the notification requirement. *Jared Ecklund* stated both items of correspondence received are outside the one-quarter mile. One is from beyond one-quarter mile and one is from beyond one-half mile. There was no correspondence received from either residence within one-quarter mile.
- D. Commission member *Filipovich* asked what use is allowed between those that want to prospect the land and the landowner. *Jared Ecklund* stated the difference between mineral rights and surface rights is handled between the landowner and the applicant. The conditional use permit would allow the exploration use on this property.
- E. Commission member *Filipovich* asked why this site was chosen. *Kate Lehmann* stated they do a number of surveys. Their geologists select drill sites based on geological structures and the possibility of deposits. Because there is a lot of glacial till, they can evaluate any gold grains that exist and calculate where gold grains may have traveled with the glaciers.
- F. Commission member *Filipovich* asked what the timeline is to make a determination to evaluate or not. *Kate Lehmann* stated exploration work happens in phases.
- G. Commission member *Filipovich* asked about insurance. *Kate Lehmann* stated there is a whole package of liability insurance that covers a variety of uses, such as vehicles. In terms of potential damage to neighbors, there is minimal risk because they are not drilling next to structures.

DECISION

Motion by Manick/Svatos to approve a conditional use permit to allow mineral exploration operation as a Mineral Exploration and Evaluation use and a waiver to allow the operation to be located less than one-quarter of a mile from a residence, based on the following facts and findings:

- A. Plans and Official Controls:
 - 1. Zoning Ordinance 62 requires a conditional use permit for the proposed Mineral Exploration and Evaluation use in this zone district.
 - 2. Zoning Ordinance 62, Article VI, Section 6.28 states that the operations shall be a minimum of one-quarter mile from a residence; the applicant is proposing the operation to be located approximately 450 and 770 feet from two different residences.
 - 3. The property is located within the Forest and Agriculture category of the future land use map in the St. Louis County Comprehensive Land Use Plan.
 - a. These areas are intended primarily for forestry and farming activities.
 - b. These areas are not intended for future rural or urban development.
- B. Neighborhood Compatibility:
 - 1. There are five dwellings located within a half-mile from the proposed operation.
 - a. All of these dwellings are located on the south side of Highway 1 while the proposed use is on the north side of Highway 1.
 - b. One dwelling appears to be year-round while the others appear to be seasonal.

2. Much of the remaining surrounding area appears to be vacant or undeveloped.
3. There are two accessory structures located on the adjacent parcel to the west.
 - a. This parcel is owned by the same landowner as the subject parcel.
 - b. The applicant has a lease agreement with this landowner for the proposal.
4. This use requires a conditional use permit to allow neighboring landowners to provide comment on how the use may impact the development in the area.

C. Orderly Development:

1. The development density in the general area is fairly low.
 - a. It is not anticipated that the development density would be increased significantly in the future.
2. The proposed operation would be on the site for a limited amount of time, during the winter.
 - a. The applicant stated that the drill hole can be completed in 1 to 1.5 days.
3. The operation would have a limited impact on the development in the area, since it is anticipated to be a very short term operation.
 - a. Noise from the operation may be heard by residents in the area.
 - b. Many of these residents appear to be seasonal and the property may not be used much in the winter months.

D. Desired Pattern of Development:

1. The proposed operation would have very little impact on future development in the area.
 - a. Zoning Ordinance 62, Article VI, Section 6.28 C. states that in authorizing mineral exploration and evaluation, the county is not in any way authorizing the mining and processing of minerals.
 - b. If minerals are found on the site, obtaining those minerals would require several additional permitting processes.
2. Once sampling has been completed, the hole is grouted according to the Minnesota Department of Health standards.

E. Other Factors:

1. The location of the operation may be located in a wetland area on the property.
 - a. All Wetland Conservation Act requirements would need to be met.
2. Based on information provided by the applicant, there is typically very little impact to the drill site.
 - a. The applicant stated that winter drilling minimizes the damage to the site.
 - b. Once the operation is complete and restored, there is very little evidence of the operation.

The following conditions shall apply:

1. The applicant shall obtain approval for access from the appropriate road authority.
2. All county, state and federal regulations shall be met.
3. The standards of the Wetland Conservation Act requirements shall be met.

In Favor: Manick, Nelson, Pollock, Skraba, Svatos, Werschay - 6

Michael Jambor

The third hearing item was for Michael Jambor, a conditional use permit for a Short Term Rental as a Residential Use - Class II. The property is located in S8, T54N, R12W (Pequaywan). *George Knutson*, St. Louis County Planner, reviewed the staff report as follows:

- A. The applicant is requesting a short term rental as a Residential Use-Class II.
- B. A conditional use permit is required because the property is in a residential zone district and does not meet zoning minimums.
- C. The proposed days intended for rental use are 100, which does not constitute a commercial use.

George Knutson reviewed staff facts and findings as follows:

A. Plans and Official Controls:

- 1. Zoning Ordinance 62, Article III, Section 3.2 states minimum lot dimensions for each zone district.
 - a. Residential (RES)-7 requires a minimum of 1.0 acre and 200 feet in width.
 - b. The subject parcel is zoned RES-7 and has approximately 0.85 acres and 220 feet of width at the building location.
- 2. 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.
- 3. St. Louis County Short Term Rental standards state that for a property to be rented out as a short term rental, a performance standard permit or a conditional use permit is required.
 - a. St. Louis County Short Term Rental standards require additional standards in residential zoned areas; if the residential standards cannot be met, a conditional use permit is required.
 - b. In this case, the subject property does not meet the additional standard for residential zoned property that states the parcel must meet zoning minimum requirements.

B. Neighborhood Compatibility:

- 1. The subject parcel is zoned RES-7. The surrounding parcels are zoned RES-7 and RES-4.
 - 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.
- 2. The majority of the surrounding parcels are used residentially including both parcels adjacent to the subject parcel.
- 3. Parcels directly south of the subject parcel across Pequaywan Lake Road are large undeveloped parcels.

C. Orderly Development:

1. The subject parcel is located on Pequaywan Lake which contains small, developed parcels along the shore.
2. All parcels on Pequaywan Lake are zoned residential.
 - a. Due to the underlying zoning, future development is expected to consist of primarily residential use, which could include other short term rentals.
3. 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. Development in the surrounding area is primarily residential use.
2. 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.
3. Development patterns in this area are expected to primarily be residential.
 - a. Proposed short term rental uses are expected to be part of development patterns.
4. The conditional use permit process allows other landowners in the area to provide feedback on the proposed short term rental.
5. The proposed intended days for rental of 100 does not constitute a commercial use.

E. Other Factor:

1. The property has been used as a short term rental prior to St. Louis County adopting standards.
 - a. The applicant is applying for a conditional use permit in order to fulfill new St. Louis County requirements.
 - b. The applicant has provided all required information needed per St. Louis County Short Term Rental standards.

George Knutson noted two items of correspondence from Jim and Patti Rich and Paul and Lisa Klassen, both in opposition. Both items had been provided to the Planning Commission prior to the hearing.

STAFF RECOMMENDATION

In the event that the Planning Commission determines that the proposal meets the criteria for granting a conditional use permit on property that does not meet the minimum zoning requirement to allow Short Term Rental as a Residential Use-Class II, the following conditions shall apply:

1. All other short term rental standards shall be met.
2. All SSTS requirements shall be met.
3. All other local, state, and federal standards shall be met.

Michael Jambor, the applicant, stated he owns the property along with friends. This property has been used prior to their purchase as a vacation rental. If neither family is using the property, the property is available for rent. Its primary use is a family cabin and they block out the weekends for their personal use. They have spoken with the neighbors on either side of them and there have been no issues to their knowledge. One of the big concerns on this lake is the lack of public access. They provide kayaks, paddleboards and a pontoon for their guests' use. They understand the septic

requirements as far as occupancy numbers. They use VRBO to rent which rates renters as well as landowners.

Three members of the audience spoke in opposition.

Patricia Rich, 2932 24th Street SE, Buffalo, MN, stated they have a cabin at 9319 Pequaywan Lake Road. They are concerned that short term rentals for profit are being allowed in private, residential neighborhoods. She asked the Planning Commission to consider the hardships faced by neighbors that live next to short term rental properties that might cause troublesome issues. She read the letter she submitted into the record. She thanked the Planning Commission members for bringing up their questions, especially regarding septic systems.

Lisa Klassen, 9185 Pequaywan Lake Road, stated she has been on the lake nearly five years. They have had a history with short term rentals for some time. She wants more information on how the 100 days of rental use might be enforced, how staff will be tracking this and who the third-party vendor may be. She agrees with Patricia Rich's comments. This particular property also advertises on community Facebook pages and snowmobile clubs.

Mary Elizabeth Rich, 9309 Pequaywan Lake Road, stated she agrees with Lisa Klassen and Patricia Rich. If this one short term rental is allowed, it is opening the door to more. Not everyone will have the same care and concern for this lake as someone who resides there. Adding to the tax base with new residences would be better than whatever the county may gain from a short term rental. This is a small lake and reckless behavior could affect the whole lake. She asked who would be there to verify the watercraft being used. She is concerned that any additional watercraft could bring invasive species.

The *Planning Commission* discussed the following:

- A. Commission member *Pollock* asked about the septic capacity when the applicant is requesting eight occupants for two bedrooms. The SSTS record review stated that two bedrooms were suitable for four occupants. *George Knutson* stated that the conditional use permit is for the use. The occupancy number was discussed with the applicant; if the conditional use permit is granted and issued, the total number of guests must either be decreased to the number of occupants allowed by the septic system or the system would need to be upgraded to allow the total number of guests being requested. Commission member *Pollock* added that the number of guests should not be advertised more than what the system is capable of. *Jenny Bourbonais*, Acting Secretary, stated that occupancy number will be addressed with all short term rental applications based on the size of the septic.
- B. Commission member *Skraba* asked if the Planning Commission could limit the occupancy number. *Jenny Bourbonais* stated the landowner has options available to increase the occupancy number. The landowner could upgrade the system to increase the occupancy number to what the applicant is requesting. The occupancy number is added to the certificate when it is determined what the septic system can accommodate.
- C. Commission member *Filipovich* asked how the proposed days of rental use is tracked. *Jenny Bourbonais* stated there are a few ways to track. One is through the Assessor's office to see if the classification has changed to commercial. The other is a third-party vendor

they can cross-reference to determine the number of days of use. *George Knutson* stated that if the number of days rented exceeds the number of days for personal use and the number of days unused, the use would be classified as commercial.

- D. Commission member *Pollock* stated there is no control over what any web posting states the occupancy number is. The applicant could put anything in.
- E. *Jenny Bourbonais* stated that when short term rental standards were approved, there were several options on what and how to allow. The option decided on that additional standards needed to be met in a residential zone district. As this property is in a residential zone district and is not on a conforming lot, it would require a conditional use permit. This public hearing process allows adjoining landowners and/or interested parties to weigh in.
- F. Commission member *Filipovich* stated that there should be a way to make certain and track the rented days is less than half of the non-rented or unused days.

DECISION

Motion by Svatos/Skraba to approve a conditional use permit on property that does not meet the minimum zoning requirement to allow Short Term Rental as a Residential Use-Class II, based on the following facts and findings:

- A. Plans and Official Controls:
 - 1. Zoning Ordinance 62, Article III, Section 3.2 states minimum lot dimensions for each zone district.
 - a. Residential (RES)-7 requires a minimum of 1.0 acre and 200 feet in width.
 - b. The subject parcel is zoned RES-7 and has approximately 0.85 acres and 220 feet of width at the building location.
 - 2. 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.
 - 3. St. Louis County Short Term Rental standards state that for a property to be rented out as a short term rental, a performance standard permit or a conditional use permit is required.
 - a. St. Louis County Short Term Rental standards require additional standards in residential zoned areas; if the residential standards cannot be met, a conditional use permit is required.
 - b. In this case, the subject property does not meet the additional standard for residential zoned property that states the parcel must meet zoning minimum requirements.
- B. Neighborhood Compatibility:
 - 1. The subject parcel is zoned RES-7. The surrounding parcels are zoned RES-7 and RES-4.
 - 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.
 - 2. The majority of the surrounding parcels are used residentially including both parcels adjacent to the subject parcel.
 - 3. Parcels directly south of the subject parcel across Pequaywan Lake Road are large undeveloped parcels.

4. The property is just under the lot size required for minimum zoning requirements. It has more than the minimum amount of lot width.

C. Orderly Development:

1. The subject parcel is located on Pequaywan Lake which contains small, developed parcels along the shore.
2. All parcels on Pequaywan Lake are zoned residential.
 - a. Due to the underlying zoning, future development is expected to consist of primarily residential use, which could include other short term rentals.
3. 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. Development in the surrounding area is primarily residential use.
2. 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.
3. Development patterns in this area are expected to primarily be residential.
 - a. Proposed short term rental uses are expected to be part of development patterns.
4. The conditional use permit process allows other landowners in the area to provide feedback on the proposed short term rental.
5. The proposed intended days for rental of 100 does not constitute a commercial use.

E. Other Factor:

1. The property has been used as a short term rental prior to St. Louis County adopting standards.
 - a. The applicant is applying for a conditional use permit in order to fulfill new St. Louis County requirements.
 - b. The applicant has provided all required information needed per St. Louis County Short Term Rental standards.

The following conditions shall apply:

1. All other short term rental standards shall be met.
2. All SSTS requirements shall be met.
3. All other local, state, and federal standards shall be met.

In Favor: Filipovich, Skraba, Svatos, Werschay - 4

Opposed: Pollock - 1

Motion carries 4-1

Motion to adjourn by Svatos. The meeting was adjourned at 11:18 a.m.