

TWO HARBORS CITY COUNCIL

SPECIAL MEETING AGENDA

March 22, 2023

6:00 P.M. Call to order special meeting of the City Council of the City of Two Harbors.

Roll call:

Pledge of Allegiance:

The purpose of the meeting is to discuss the Lighthouse Point Development Project and the Highway 61 MnDOT Project.

LIGHTHOUSE POINT DEVELOPMENT:

Appearances:

1. Justin Otsea, City Planner
Re: Lighthouse Point Development Proposal.
2. Jack Lax/Blake Fjeran or their representatives.
Re: Lighthouse Point Development Proposal.

HIGHWAY 61 MNDOT PROJECT:

Appearances:

1. Justin Otsea, City Planner, and/or Joe Rhein, Bolton & Menk
re: Highway 61 MnDOT Project.
2. Ann Thompson, Two Harbors Curling Club, or their
representatives, re: Highway 61 MnDOT Project.
2. Mark Kavacovich, Two Harbors Golf Association, or their
representatives, re: Highway 61 MnDOT Project.
3. Craig Guzzo, Owner of former VFW Property, re: Highway
61 MnDOT Project.

Communications:

1. A letter from Janelle Jones, Lake County Chamber of
Commerce, re: Highway 61 MnDOT Project.

Adjourn:

MEMORANDUM

To: Two Harbors City Council
CC: Patty Nordean, City Administrator, Tim Costley, City Attorney
From: Justin Otsea, ARDC
Date: March 22nd, 2023
Subject: XX Lighthouse Point Road PUD Concept Plan-Staff Report

Planned Unit Development Proposed

The applicant, LHP22 LLC, represented by Jack Lax has proposed a Planned Unit Development on a 5.4-acre parcel on Lighthouse Point. The project consists of 13 two-family residential buildings (26 units overall) arranged along private loop road. The proposed housing sits on 5.04 acres, and a commercial building on 0.36-acre at the south end of the site. The project proposes a private street and stormwater treatment with public water and sanitary sewer.

The property is currently vacant except for a city owned paved walking trail on the north side of the property. There does not appear to be an easement in place for the trail.

The base zoning district for this project area is the Mixed-Use Waterfront district with a Shoreland Overlay Zone.

PUD Background

Planned Unit Developments (PUDs) are a zoning and subdivision process that gives flexibility from zoning standards to achieve a defined goals of the City and applicant. The purpose of a PUD is defined in section 11.20 Subd. 1 of the Zoning Code. The text has been included for reference below:

PUD – Planned Unit Development District

The purpose of the Planned Unit Development ("PUD") Overlay District is to implement the goals and policies of the Two Harbors Comprehensive Plan by providing comprehensive procedures and standards intended to allow flexibility in the development of residential, commercial, and mixed residential/commercial development by incorporating design modifications and/or mixture of uses. The PUD process, by allowing deviation from the strict district and performance standards is intended to encourage:

- A. Variety.** Innovations in development to the extent that the growing demands for all styles of economic development expansion may be met by greater variety in type, design, and placement of structures and by the conservation and more efficient use of land in such developments.
- B. Sensitivity.** By departing from the strict application of required performance standards associated with traditional zoning, a PUD can maximize the development potential of land while remaining sensitive to its unique and valuable natural and scenic characteristics.

C. Efficiency. The consolidation of areas for recreation and reduction in street lengths and other utility-related expenses.

D. Density Transfer. The project density may be clustered, basing density on the number of units per acre instead of specific lot dimensions.

E. District Integration. The combination of uses which are allowed in separate zoning districts such as:

1. **Mixed residential allows both densities and unit types to be varied within the PUD.**

2. Mixed commercial, residential, or institutional land use with the integration of compatible land uses within the PUD.

F. Infill. Encourage infill within areas of the City which are characterized by existing development.

Process Overview

There are four (4) stages to the PUD process: Application Conference, Concept Plan, Preliminary PUD Plan, and Final Plan, as described below:

1. **Application Conference** – Developer is encouraged to meet with City Staff to discuss elements of the proposed project prior to submitting a concept plan. (Completed 10/5/22)
2. **Concept Plan** – The Concept Plan provides an opportunity for the developer to submit a plan to the City showing the basic intent and the general nature of the entire development without incurring substantial costs for architectural, planning, engineering, legal or other services. The plan shall include required elements described in the code, not as extensive as Preliminary Plan.
 - a. **Approval/Disapproval.** The City Council shall approve or disapprove the Concept Plan at a regular meeting of the City Council. An approval of a Concept Plan by the City Council is not a final approval of the proposed PUD but merely an authorization for the developer to apply for a preliminary PUD plan and preliminary plat, if applicable. A disapproval of a Concept Plan by the City Council is without prejudice to the developer submitting another Concept Plan for the City for its consideration.
3. **Preliminary Plan** – Following approval of the Concept Plan, the developer shall, if developer desires to proceed further with the PUD, submit a preliminary PUD plan and preliminary plat, if applicable, an application for the approval of them and all supporting data and documentation (all the foregoing is collectively the application). The application must be submitted within one year of the approval of the Concept Plan. The application shall proceed and be acted upon in accordance with the requirements of Subsection E. of this Subdivision.
4. **Final PUD Plan, Final Plat** – Following preliminary PUD plan and preliminary plat approval, if applicable, the applicant shall submit the final PUD plan and final plat, if applicable. Following preliminary PUD plan and preliminary plat approval, if applicable, the applicant shall submit the final PUD plan and final plat, if applicable, within one calendar year.

Comprehensive Plan Review

It is Planning Staff's view that the proposal is consistent with The City of Two Harbors Comprehensive Plan if public access to the Lake, open space, and natural aspects of publicly owned land are protected (Waterfront Goal 2). The future land use of this site is marked as Future MUW

Development in the Waterfront Planning section on Page 49. It is noted that “with the planned construction of the DNR marina and safe harbor and the possibility of new housing and lodging on Lighthouse Point, the potential for revitalization (note: of the waterfront district) is much improved.

Zoning Code Review

Use of the Planned Unit Development process is proposed to design a project that does not meet requirements of the base or overlay zoning districts to which the property is subject.

The base zoning layer for the site is MUW-Mixed Use Waterfront. The site is also covered by the S-O Shoreland Overlay district. The provisions of the overlay district are in addition to the requirements of the base land use district; where provisions of overlay district are more restrictive, they shall apply, where provisions of the base district are more restrictive, they shall apply.

When reviewing proposals for PUDs in the S-O Overlay District, staff shall consider whether the PUD proposal meets the standards and criteria the Shoreland Overlay district. If there is a case where the standards and criteria in Section 11.50 are not consistent with those in this Section, the standards contained in the PUD ordinance shall apply.

The following chart lays out the difference between the MUW district, the Shoreland Overlay District, and the Proposed PUD Concept Plan. While the exact proposed front yard, side, yard and back yard setbacks are unknown it is expected that variations from the zoning standards will be requested if the Concept Plan moves to the Preliminary Plan stage. Variations to the maximum building height and impervious surface requirements are not contemplated by this proposal. Section 11.60 Subd.6 lays out a process to decrease building height or increase it to 50'. That request would have to take place during the public review process of the Preliminary PUD plan.

Building Height

There is a difference in the definition of building height in the City zoning code and the North Shore Management Plan.

The City's code defines building height as: The vertical distance from the grade to the highest point of the coping of a flat roof or to the average height of the highest gable of a pitch or hip roof.

The North Shore Management Plan defines building height as the measured from the top of the building to average natural grade line with the top of the building being defined as the peak of the roof.

The North Shore Management Plan allows the City to use this alternate definition because of a determination made in the Plan: There are four cities that have sizable, incorporated areas within the shoreland management zone. As part of the discussion in the planning process, it was determined that the NSMP update should encourage development in these areas and other development nodes. The original NSMP seemed to also support this conclusion by stating that commercial-urban areas as defined in that plan were exempted from the density and dimensional standards in the Planned Unit Development Guidelines.

It is Planning Staff's view that the City's standard zoning definition of height can achieve goals consistent with the NSMP on this site.

| Zoning Standards | MUW District | Shoreland Overlay District | Proposed PUD | Variations | Notes |
|---|--------------------|--|------------------------------|------------------|--|
| 2-Family Dwelling | Y, Conditional Use | Y, In Accordance with Underlying District | Y, PUD overrides CUP process | No | |
| Commercial Building Coffee/Bar/ Restaurant Proposed | Y, Conditional Use | Y, In Accordance with Underlying District | Y, PUD overrides CUP process | No | |
| Minimum Lot Area | 5,000 sf | 10,000 sf | 8,444 sf* | Yes | See Density |
| Minimum Width | None | Same as underlying Zone or 75 ft | Unknown, Possible CIC Plat | Yes | |
| Minimum Front Yard | 10' | Same as Underlying Zone | Unknown | Some Anticipated | Structure setback from OHWL of lake is 75' |
| Minimum Side Yard | 5' | Same as Underlying Zone | Unknown | Some Anticipated | Structure setback from OHWL of lake is 75' |
| Minimum Rear Yard | 20' | Same as Underlying Zone | Unknown | Some Anticipated | Structure setback from OHWL of lake is 75' |
| Maximum Height | 35' | Same as Underlying Zone | Unknown | No | |
| Lot Coverage by Impervious Surface | N/A | 25%, unless professional engineered surface water runoff plan is prepared. | Unknown | No | |

Density

In Two Harbors, a PUD may grant an increase in density up to 30 percent greater than the underlying zoning district if a project provides public benefits above and beyond development under standard zoning. The criteria for evaluating bonus density are laid out in the zoning code:

Basis for Approval of Bonus Density. Upon submittal of the PUD application, the Zoning Administrator shall review the proposed project and submit a report to the Planning Commission, containing recommendations and proposed findings of fact and conclusions with respect to the allocation of bonus densities for the project. The allocation of bonus densities should be based upon a comprehensive review of the entire project. It is the intention of this Section to allow bonus densities where a PUD applicant proposes design attributes providing public benefits in addition to those required by local, State or Federal land use or environmental regulations. Consideration of the following criteria should be given:

- 1. Preservation of Open Space and Natural, Historical and Cultural Features (Exceeding Mandatory Code Requirements).**
- 2. Public Service and Facility Availability (Exceeding Mandatory Code Requirements).**
- 3. Energy Efficiency (Exceeding Mandatory Code Requirements).**
- 4. Public Recreation Facilities (Exceeding Mandatory Code Requirements).**
- 5. Environmental Design (Exceeding Mandatory Code Requirements).**
- 6. Affordable Housing (Exceeding Mandatory Code Requirements).**
- 7. Other Criteria.**

Density Analysis

The base district for this project area is the Mixed-Use Waterfront district which sets minimum lot sizes of 5,000 sf but that is superseded by the Shoreland Overlay Zone which sets the minimum lot size at 10,000 sf for newly created lots.

Because the PUD allows variations in lot size it is necessary to convert from lot size to an equivalent units per acre. The methodology for that conversion and calculating the allowable bonus density are below.

The residential portion of the project parcel has a standard allowable unity density of 4.35 unit-lots per acre for a total of 21.9 units. A 30 percent density bonus would allow an additional 6.6 units for a total of 28 units. For comparison that equates to an average lot size of 8,131 sf.

Standard Density

1 acre = 43,560 sf

minimum lot size (Shoreland Overlay Zone) = 10,000 sf

total parcel size = 5.4 acres

residential parcel size = 5.04 acres

commercial parcel size = 0.36 acres

rps x 1a = total residential square feet [trsf] ($5.04 \times 43,560 = 219,542$ sf)

trsf / mls = Standard Density Allowable Units [SDAU] ($219,542 / 10,000 = 21.9$)

SDAU = 21 unit/lots

Bonus Density

30% bonus density if 1 or more criteria met

SDAU + 30% SDAU = Bonus Density Allowable Units [BDAU]

30% of 21.9 = 6.6

21.9 + 6.6 = 28.5

BDAU = 28 unit/lots

The applicant has indicated that the two-family residential project will be developed as twin-homes rather than duplexes. In form and function the buildings may be indistinguishable from one another, but they are subject to different building code standards property recording.

A twin-home is basically two homes that share a common wall, with two separate owners and two yards. The property line generally runs down the center of the home.

A duplex is like a twin-home, but it is two homes that share a wall are on one lot and are owned by one person, who has control over the two homes and yard.

It is Planning Staff's view that duplexes are considered one primary structure under the zoning code and can share one 10,000 square foot lot under the zoning code. In this scenario, the permissible standard density of the development could allow 21 lots with 42 units. The proposed density and/or number of lots is about 60 percent of the standard zoning maximum. No bonus density would be required. The public benefit requirements for awarding bonus density would not be considered under this scenario.

However, under a twin-home development, Planning Staff's view is that separate lots are created because two separate primary structures are created by the legal split.

The definition of a lot under the zoning code is "a parcel of land occupied or intended for occupancy by one main building together its accessory buildings, and uses customarily incidental to it, including the open spaces required by this chapter and having its principal frontage on a street or upon a place as defined in this chapter."

A building is defined as "any structure for the shelter, support or enclosure of persons, animals, or property and when separated by dividing walls without openings, each portion of such building, so separated, shall be deemed a separate building."

Under this scenario, each part of the split twin-home would require the minimum lot size of 10,000 square feet under the zoning code. At 10,000 square feet lot/unit the zoning would allow development of 21 lots with 21 units. A bonus density of approximately 28 percent would be required to allow 26 lots with 26 units.

In a twin-home development the calculable density increases from 60 percent to 128 percent even though the development would look virtually the same from the outside observer.

Bonus Density Analysis

Currently, the developer proposes the public benefit for the bonus density to be the permanent easement of the existing paved multi-use trail on the property. At the time of this report, the developer has not submitted details of any additional public benefit to the city.

Additionally, the underlying 'Mixed Use Waterfront' District outlines that all proposed projects 'must provide linkages to Lake Superior waterfront and adjacent neighborhoods.' Relevant text included below:

11.62 Mixed Use Waterfront Standards

D. General Site Development Framework. Developments throughout the Mixed-Use Waterfront District (MUW) shall contribute to capturing the authentic spirit of the maritime history of Two Harbors. By considering the impact of new development this spirit can be promoted. Along with views of and access to the water and water-related activities use of water- and boating-related artifacts, architectural features and historical interpretive devices in construction are encouraged to carry out the waterfront theme. Use of traditional regional architectural styles and related artifacts will help ensure cohesiveness and harmony with the overall character of the District. The following is a framework around which site plans should be designed in the MUW District.

1. The development must provide linkages between the Lake Superior waterfront and adjacent neighborhoods.
4. The development must maintain pedestrian linkages using walkways, plazas, and boardwalks.
5. The development must create public places as destinations along pedestrian linkages.

Architectural Concerns with the Underlying Zoning District-

Additionally, the newly submitted architectural designs seem to diverge away from the underlying zoning language more than the plans submitted for the Planning Commissions hearing in January. The relevant language from the code has been listed below:

11.62 G. Architectural. Due to the mixed-use nature of the development, architectural compatibility is necessary in order to visually integrate development and allow for proximity of various uses. Acceptable exterior building materials within the MUW District should include brick, wood, stone, and ornamental iron. The uses of such materials, along with traditional building techniques, are intended to promote and enhance the waterfront character of the District while providing a harmonious cohesiveness between old and new structures. Where additions to historic buildings are proposed, materials should match as closely as possible, as should the patterns created, and mortar, in the case of brick buildings. In general, brick and stone buildings should not be painted.

1. Residential buildings shall be constructed of brick or wood siding replicating the architectural styles of Two Harbors historic neighborhoods.

Other Areas of concern identified by Staff

Lack of Public Space – Further information would be helpful to better define the public space proposed and how it interacts with the commercial space. No details have been provided for how the development will provide public space aside from the existing trail alignment.

Public Comment Questions and Concerns

The following section attempts to address the main questions/concerns identified at the Council's Public Hearing held on February 13th, 2023.

1. ***Will an Environmental Assessment Worksheet (EAW) be required for this project?***

Yes, staff anticipates an EAW will be required for the proposed development under MINNESOTA STATUTES. CHAPTER 4410, ENVIRONMENTAL REVIEW 4410.4300 MANDATORY EAW CATEGORIES.

Subp. 19a. Residential development in shoreland outside of the seven-county Twin Cities metropolitan area.

2. ***Are wetlands impacted by the proposed development?***

While past wetland delineations indeed identify a wetland is present on the site, they are currently expired and would require a new wetland delineation if the proposal is to move ahead. The applicant has noted the design attempts to minimize impacts on the wetlands identified in historical delineations.

3. ***Is a PUD required for the proposed development?***

Yes, there are several factors to the proposed development as presented that require a PUD. The developer is seeking the bonus density triggering the requirement for the PUD. Additionally, to subdivide property, all lots must have full frontage on a public road as defined in *Section 12.30 Subdivision Standards Subd 4. Lot sizes shall conform to the Zoning Chapter, and shall have full frontage on a public street.* The proposed development calls for a private road. It is anticipated that setbacks variations will also be required.

4. ***Do the North Shore Management Plan Standards Apply to this parcel?***

Not entirely. The Zoning Code identifies the district as a 'Commercial-Urban Node' for purposes of the NSMB Plan in section 11.63 Subd 3. The NSMB Plan language regarding Commercial-Urban Nodes has been included below for reference:

3.2.3 The original NSMP seemed to also support this conclusion by stating that commercial-urban areas as defined in that plan were exempted from the density and dimensional standards in the Planned Unit Development Guidelines.

Of note, the City has adopted the Shoreland Overlay Zone, consistent with the NSMB standards, which allows for the Shoreland Overlay Zone and PUD ordinances to be controlling laws. However as noted above, the parcel in question and PUD process are exempt from dimensional standards.

Recommendation options:

The Concept Plan Process allows for the Planning Commission to make a recommendation to the City Council regarding next steps for the proposal. City Council will make the final determination, but staff has outlined the below options for recommendation:

1. Approved to proceed to Preliminary Plan as is.
2. Approved to proceed to Preliminary Plan with changes identified by Planning Commission and/or those by the City Council (i.e. still allowing twin homes and commercial use but with changes to identified concerns).
3. Denial of the concept plan without prejudice to future applications.

Planning Commission Recommendation

The Planning Commission recommended approval of the Concept Plan with considerations for stormwater/water retention, height/elevation, trail alignment, density (specifically eliminating some of the NE units), public use amenities, potentially architectural considerations to exterior finishes to fit the historical aesthetic, considerations for the use of right of way, and overall ensuring how the 2006 agreement impacts with development of the site. *Motion approved by all members present and voting.*

Of note, the update proposed concept plan includes changes to the density, trail alignment, and stormwater/water retention concerns. Public Use of the property has not been further defined aside from the preserving of the trail. It has also been identified that the 2006 agreement does not apply to the proposal.

Narrative on Lighthouse Point

i. Overall maximum PUD density.

Proposed 28 townhome units in 14 buildings, one commercial lot with space for coffee/ bar/ restaurant use, along with shared gathering space for owners use.

ii. Specific location of major streets and pedestrian ways.

The project will access off of Lighthouse Point Road, which comes directly off of 3rd Street from the Downtown District. There is a pedestrian walking path on the North side of the subject property and a public boat launch and parking lot adjacent to the West side.

iii. Location and extent of public and common open space.

The pedestrian walkway on the North side of the property will be improved with new grading and gravel, and enhanced with landscaping & lighting.

A proposed coffee/bar/restaurant on the south side of the property would enhance and promote the public's use of Agate Bay as a destination of choice.

iv. Staging and time schedule of development.

Proposed staging and time schedule as follows:

- April: finalize all city approvals and permits for site work, close on construction loan for road work and begin installation of same
- May: begin construction of first building, Units 1&2
- September: estimated completion of road work, begin construction on Units 3&4
- October: anticipated sale of first units 1&2
- October 2024: anticipated sale of final units 27&28

v. Other special criteria for development.

We will actively seek out an operator of the commercial space that will offer local beers and locally caught fish and other food items. This could easily become a destination for the area.

We will ask to utilize the strip of currently unused land between the boat launch parking and the project as overflow parking. and added green space for residents. As well as burying the existing overhead power line that runs to the lighthouse.

We will be asking for TIF to help with the costs of bringing in the road & infrastructure.

vi. Specific location of residential and nonresidential land uses with approximate type and intensities of development.

The residential portion of the project consists of 28- individual townhomes in 14 buildings. The commercial portion makes the highest and best use of the far southern corner of the project, providing food & beverage service to the public and a gathering space for the future owners of the townhomes.

vii. Narrative statement substantiating how the proposed development will be superior or more innovative than conventional development undertaken through the City's land use regulations. The statement shall also substantiate how the proposed PUD will provide a benefit to the public beyond what is available through conventional development.

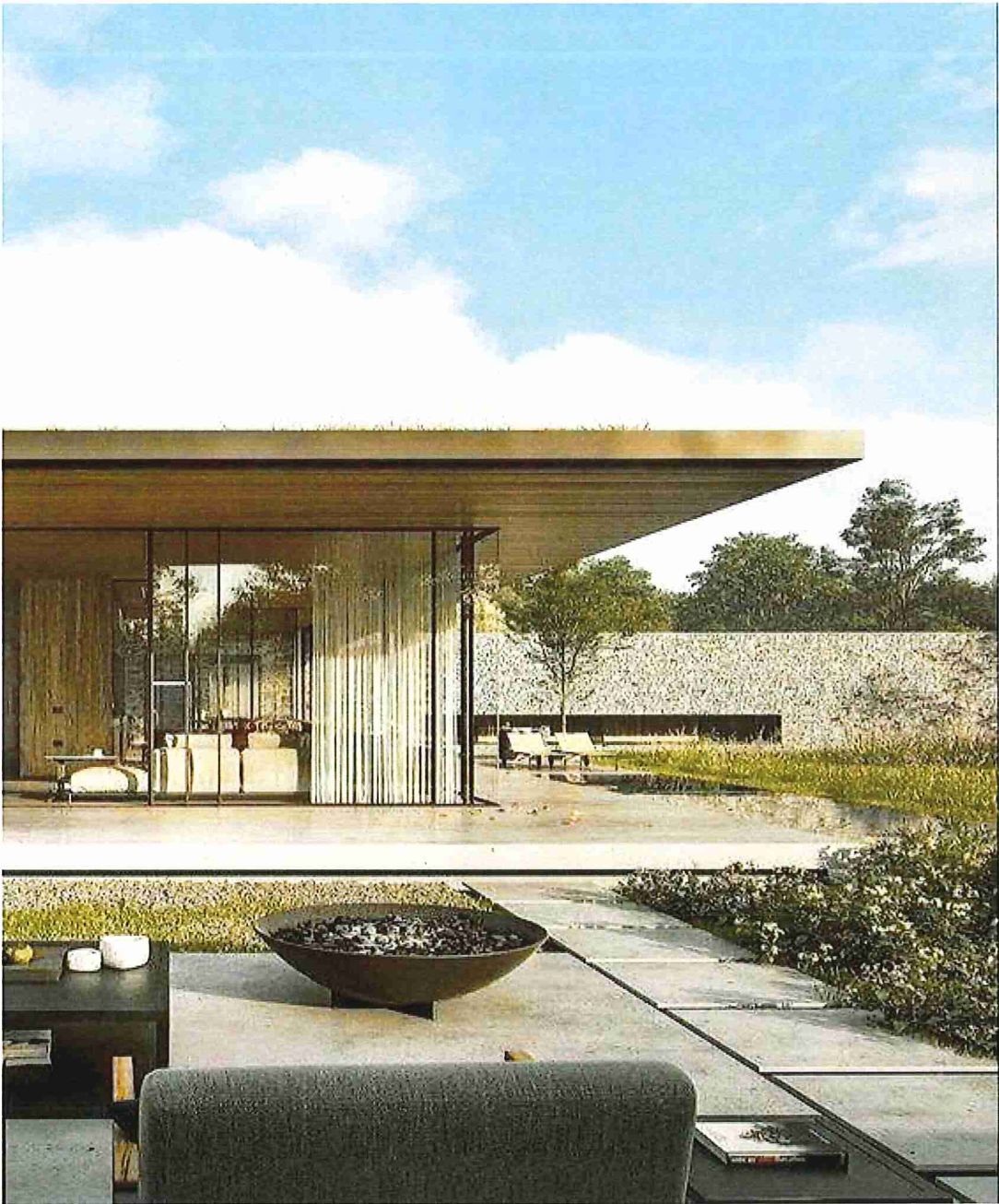
The project will be more superior in that the layout of the structures can be best situated on the parcel, and more innovative in that we can offer the commercial space as a destination for the downtown/lakefront areas. This development will bring new life to the agate bay area well providing an outstanding residential housing option.













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|--|--|---|--|
| AES Certification of Individual Project Design Discipline Area Indicated On Their Individual Drawings, Respectively | | PRELIMINARY NOT FOR CONSTRUCTION Advanced Engineering and Environmental Services, LLC Environmental Services, LLC | |
| PROJECT TITLE LIGHTHOUSE ROAD SUBDIVISION | | SHEET TITLE CONCEPT PLAN | |
| DATE FEB 2023 | | SHEET NO. C101 | |
| CLIENT LHP22, LLC TWO HARBORS, IN | | DESIGNED BY JUL | |
| PROJECT NO. 16130-2023-001 | | CHECKED BY JUL | |
| DATE FEB 2023 | | APPROVED BY JUL | |
| ALY PROJECT NO. | | SHEET NO. | |
| GENERAL NOTES 1. 4 EACH - HOUSE TYPE 1 (56' X 88') DECK INCLUDED IN OVERALL DIMENSION. 2. 7 EACH - HOUSE TYPE 1 (56' X 44') DECK INCLUDED IN OVERALL DIMENSION. | | | |
| CONSTRUCTION NOTES 1. PROTECT EXISTING BITUMINOUS WALKING TRAIL. 2. BITUMINOUS SUBDIVISION ROADWAY. 3. CONCRETE DRIVEWAY. 4. APPROXIMATE WETLAND BOUNDARY. 5. COMMERCIAL BUILDING (72' X 10'). 6. BIOPULTRATION STITCH - APPROXIMATE TREATMENT VOLUME REQUIRED = 10,110 CF. | | | |



Legend



City Limits



Sanitary Valve



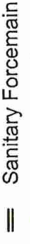
Sanitary Manhole



Sanitary Lift Station



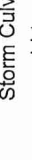
Sanitary Pipe



Sanitary Foremain



Storm Manhole



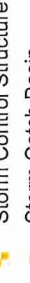
Storm Culvert



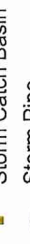
Inlet



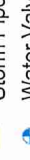
Outlet



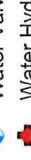
Storm Control Structure



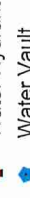
Storm Catch Basin



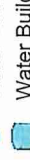
Storm Pipe



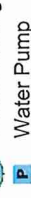
Water Valve



Water Hydrant



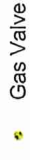
Water Vault



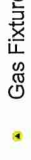
Water Building



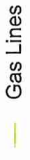
Water Pump



Watermain



Gas Valve



Gas Fixture



Gas Lines



Parcels (9/1/2022)



PWI Watercourse



NWI

Lighthouse Point Utility Map



Disclaimer:

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information, and data located in various city, county, and state offices, and other sources affecting the area shown, and is to be used for reference purposes only. The City of Two Harbors is not responsible for any inaccuracies herein contained.



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0 263 Feet

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Two Harbors Planning Commission
Meeting Minutes

January 3rd, 2023

Present: Koehler, Snowdon, Nielson, Redmann, Chapek

Absent: Glaser

Other: See attached and zoom meeting.

Next meeting: February 7th, 2023

I. Call to Order

Koehler called the meeting to order at 5:33 p.m.

II. Approval of Agenda

Motion by Neilson to approve the agenda. Support by Chapek. Motion approved by all members present and voting.

Motion to Adjourn the regular Planning Commission meeting made by Snowdon. Support by Neilson Motion approved by all members present and voting.

III. Public Hearing Lighthouse Point- Justin opened the meeting by describing what a Planned Unit Development is, and how the new process in the City of Two Harbors works. A brief description from the zoning code has been included below:

PUDs may be used as an overlay zoning district over any base zoning district or combination of districts. The PUD process provides an alternative to traditional development under other zoning and subdivision standards of the City. This Chapter shall not be applied to single-family residential lots incapable of further subdivision due to lot size or as a means to avoid other procedures more appropriately reviewed as variance applications.

There are four (4) stages to the PUD process: Application Conference, Concept Plan, Preliminary Plan and Final Plan.

This evening's hearing is for the Concept Plan phase of the project. The other phases are described in the report.

The Concept Plan provides an opportunity for the developer to submit a plan to the City showing the basic intent and the general nature of the entire development without incurring substantial costs for architectural, planning, engineering, legal or other services. The plan shall include required elements described in the code, not as extensive as Preliminary Plan.

The applicants briefly described their project proposal as the applicant proposes to construct 14 two family homes, totally 28 units, arranged along a cul-de-sac and a commercial building on a 5.4-acre parcel on Lighthouse Point and install the road, water, sewer, and storm sewer infrastructure necessary to support the development.

Public comments were then taken for the project and many individuals provided comment. A summarized list of common themes has been included below: Height/Elevation, Density, Trail alignment, Storm water, Accessibility, Public Use of property and Open space impacts- potential public restroom amenities, etc., increased traffic concerns, architectural Concerns, geologic concerns about the site and potential blasting impacts, wastewater treatment facility proximity, easement concerns, considerations for a loop road, and how the previous 2006 agreement with Sam Cave outlining the development of the parcel identified factors into a newly proposed project. The Commission had extended discussion after the comment period.

Comments, discussion, and the hearing in its entirety can be found here:

<https://reflect-two-harbors.cablecast.tv/CablecastPublicSite/show/5163?channel=1>

Motion by Chapek to recommend approval of the Concept plan with considerations for stormwater/water retention, height/elevation, trail alignment, density (specifically eliminating some of the NE units), Public Use amenities, potentially architectural considerations to exterior finishes to fit the historical aesthetic, considerations for the use of right of way, and overall ensuring how the 2006 agreement impacts with development of the site, 2nd Neilson- *Motion approved by all members present and voting.*

Motion by Neilson to adjourn the Public Hearing. Support by Chapek. *Motion approved by all members present and voting.*

Motion by Todd Redmann to open the public hearing for Zoning Code Amendment 2nd Chapek - *Motion approved by all members present and voting.*

- IV. Public Hearing- Zoning Code Amendment-** Justin referenced members to their packet which contained a proposed new zoning definition for hotels and motels. The Commission opened the floor for public comments. Sandra Fitz, a local motel owner, mentioned that for some smaller operations, a requirement of an occupied desk 24 hours a day is unfeasible or necessary. The commission briefly discussed other opportunities for defining hotels/motels to avoid conflicts with the existing short term rental ordinance. Minimum units, liability insurance, others were identified as possibilities. The Commission elected to table the topic for future discussion.

Motion by Redmann to adjourn the public hearing 2nd: Chapek. *Motion approved by all members.*

Chair Koehler re-convened the Planning Commission regular meeting at 6:50

- V. Meeting Minutes** - Motion by Neilson to approve the December 3rd, 2022. Support by Chapek. *Motion approved by all members present and voting.*
- VI. Elections:** – After discussion around chair and vice chair positions, a Motion was made by Redmann to nominate Tom Koehler for another term as Chair, Support by Neilson. *Motion approved by all members present and voting.*
- Another motion was made by Redmann nominating Jon Chapek for a term as Vice Chair. Support by Neilson. *Motion approved by all members present and voting.*

VII. Reports & Communications – None at this Time.

VIII. Commissioners-

Next Meeting was set for February 7th at 5:30 p.m.

Motion by Chapek to adjourn. Supported by Redmann. *Motion approved by all members present and voting.*

Meeting adjourned at 8:00 p.m.

Minutes Submitted by Justin Otsea, City Planner.

PLEASE SIGN-IN

[illegible]

PLEASE SIGN-IN

[illegible]



LAKE COUNTY HISTORICAL SOCIETY

Collecting, Preserving, and Sharing History of the County since 1925

12:25 PM January 3rd, 2023

OFFICERS

President

Sam Gangi

Vice Presidents

Ken Sandvik

Dave Johnson

Secretary

Dory Pearson

Treasurer

Jennifer Niemi

TRUSTEES

Mike Fitzpatrick

Jerry Hostetter

Bryan Nelson

Adrian Ranta

Hayes Scriven

Kristi Wasko

STAFF

Executive Director

Ellen Lynch

Shops & Museum

Manager

Kim Gangi

Managing

Innkeeper

MeLisa Swanson

Two Harbors Zoning Commission

522 1st Ave

Two Harbors, MN 55616

Members of the Zoning Commission,

On behalf of the Lake County Historical Society Board of Directors I would like to comment on the proposed project for XX Lighthouse Point. While I am unable to attend in person at such short notice, Board President Sam Gangi and Vice President Dave Johnson will attend in my absence. While very few specific details have been shared publicly, I would like to express that any develop on the point take into account the historic viewshed of the Lighthouse.

Listed on the National Register of Historic Places since 1984, the lighthouse has stood as a symbol of the community. Overcrowding the point with lots of buildings would impact the historic viewshed from and of the landmark. Not only are we concerned with the historic viewshed but also potential damage from blasting close to this historic landmark, a true treasure of the community.

Additionally, we would hope any development would take into account the vital trail access for the Sonju Trailhead which provides public access to the lighthouse point. I urge you to use caution when developing lighthouse point and find a balance between new development and those currently on the point.

Sincerely,

Ellen Lynch

Executive Director

Lake County Historical Society

PO Box 128 Two Harbors, MN 55616
(218) 834-4898 | lakehist@lakeconnections.net
lakecountyhistoricalsociety.org



Hwy 61 Two Harbors Corridor Study Project Overview & Update

Two Harbors City Council Workshop – 03/13/2023



Tonight's Meeting

- Focus on Park Road “East Segment” of Phase 1
- Ongoing refinements require coordination with city
 - Property Access (Visitor Center, Curling Club, Old VFW parcel)
 - Burlington Bay campground
 - Pedestrian crossing

Overall Project Schedule

Project timeline

2021-2022
Corridor Study:
Identify Issues
Propose Solutions



2022-2023
Preliminary Design
and Approvals



2023-2024
Final Design



2025-2026
Planned
Construction



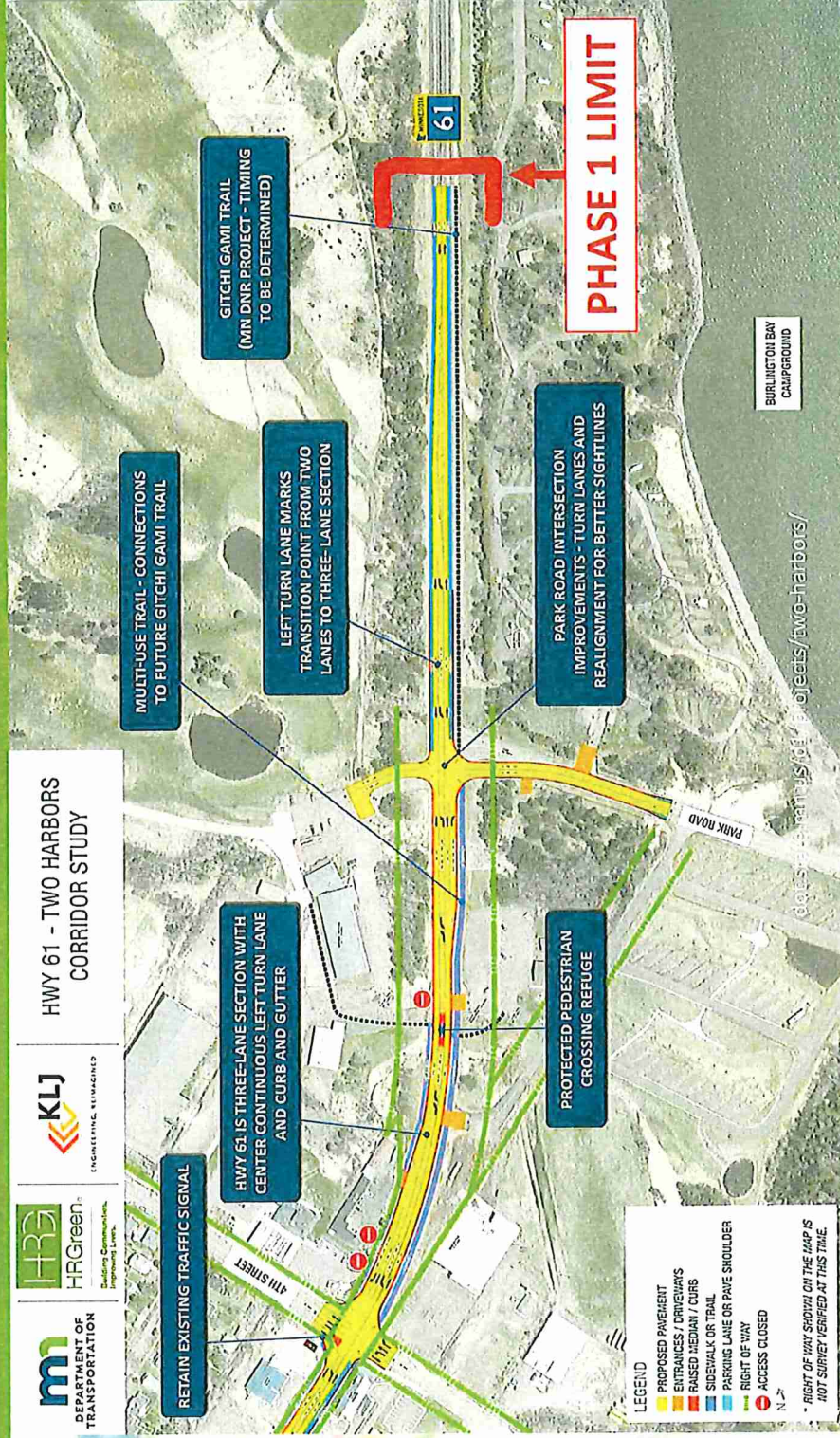
Project Overview



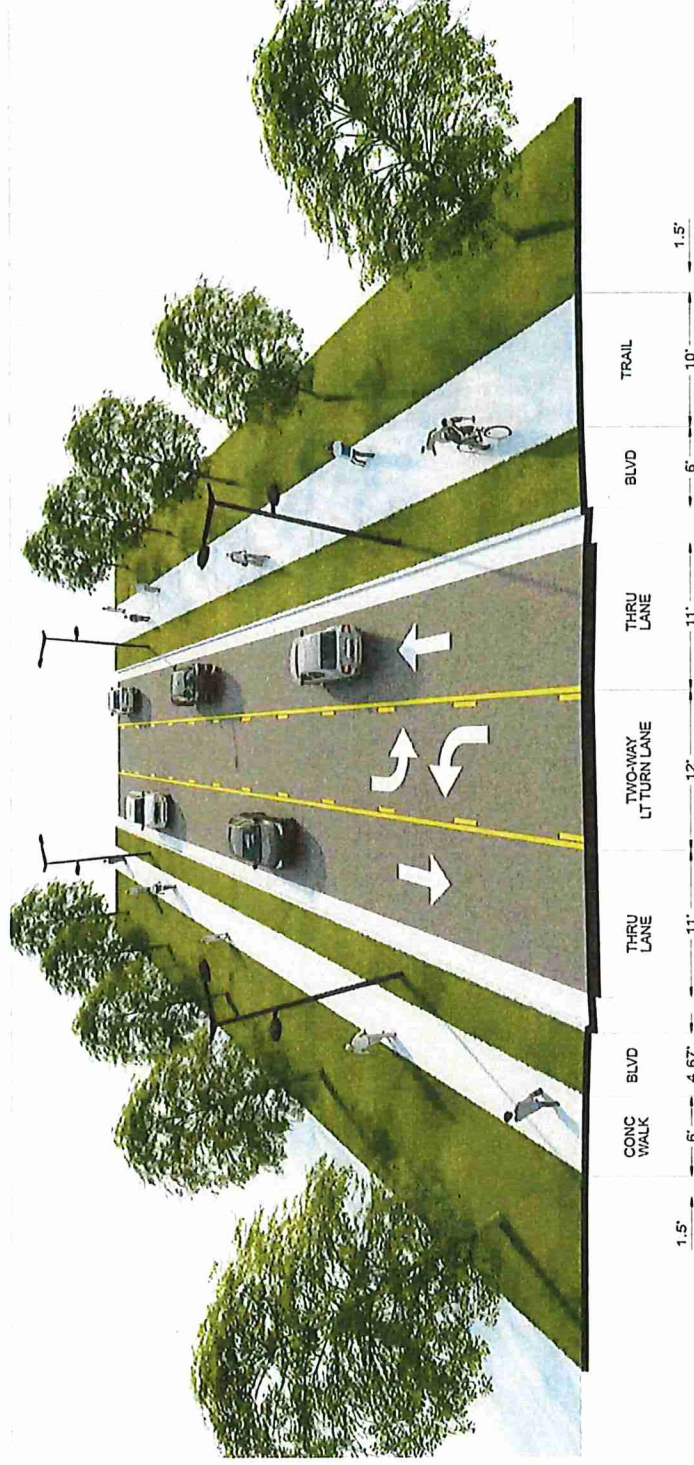
A future urban reconstruction project through Two Harbors is necessary to support the continued development and vitality of the region.

dot.state.mn.us/d1/projects/two-harbors/

4th Street to Park Road (as presented Fall 2022)



Typical Section - 4th Street to Park Road

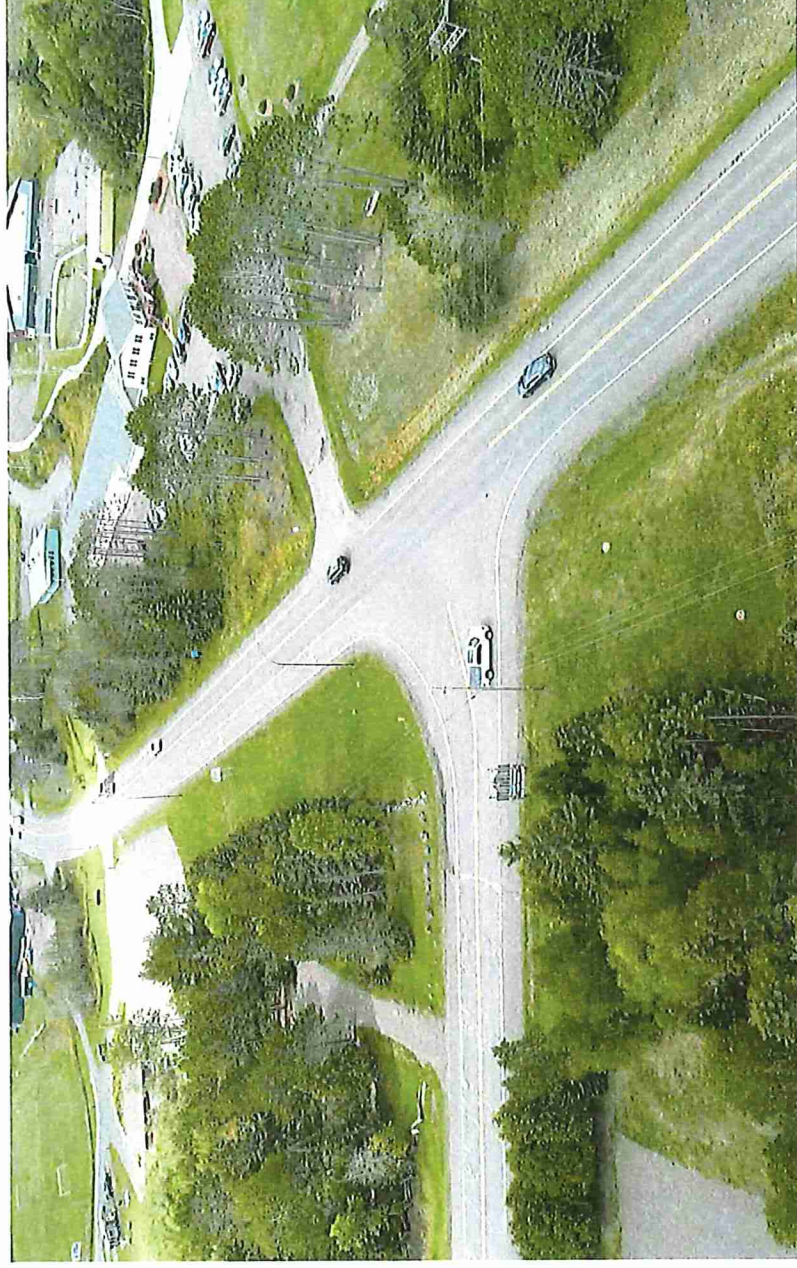


TH 61

FROM 4TH ST TO PARK RD. LOOKING NORTHEAST

dot.state.mn.us/d1/projects/two-harbors/

Existing Condition – Park Road intersection



dot.state.mn.us/d1/projects/two-harbors/

Visualization – Park Road intersection (Fall 2022)

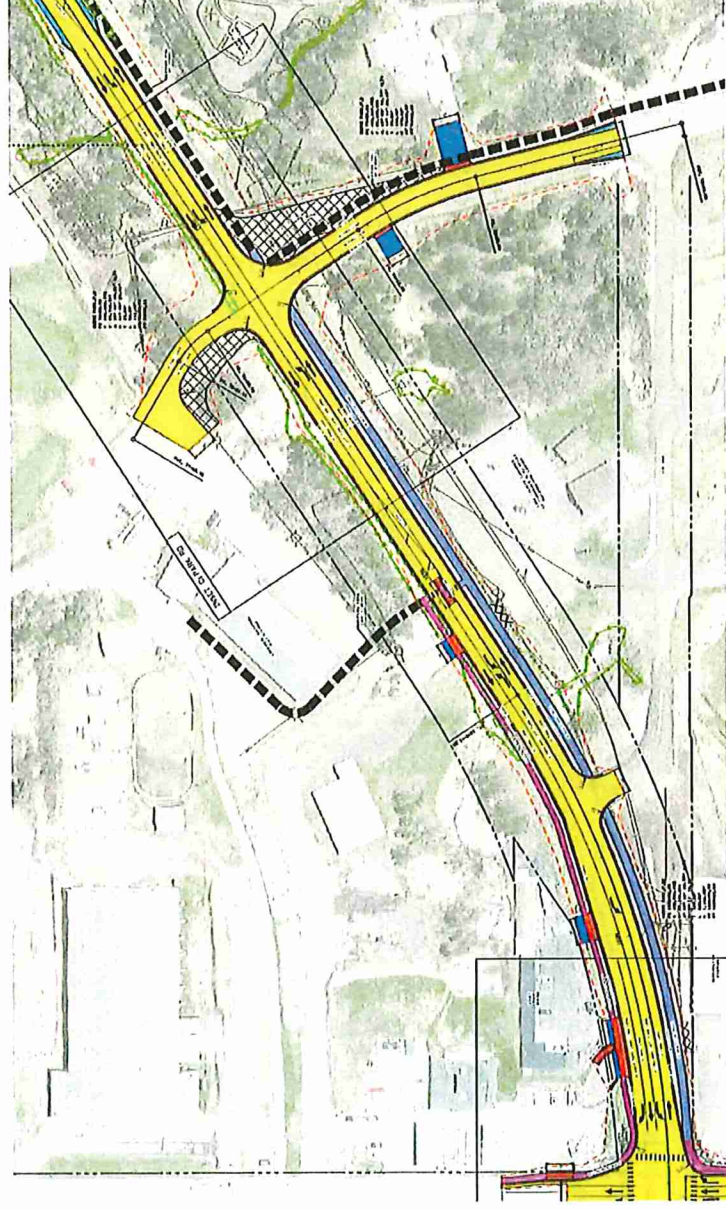


dot.state.mn.us/d1/projects/two-harbors/

Key Features in the Park Road Area

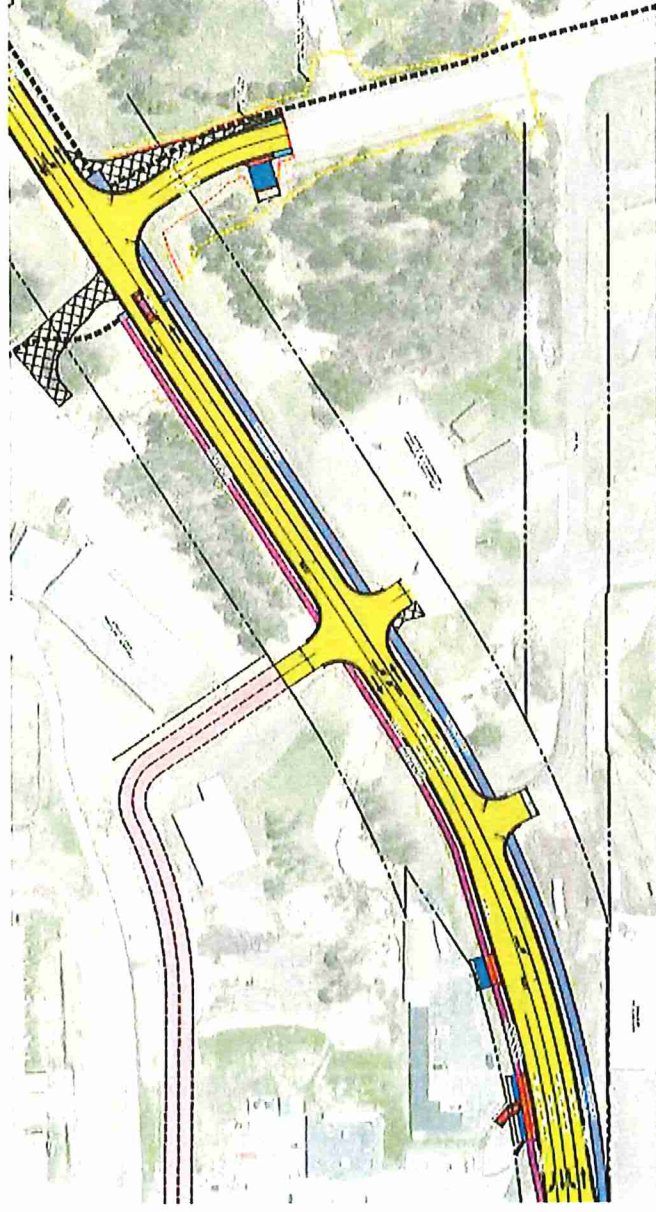
- **Pedestrian Crossing**
 - Refuge island will help calm traffic
 - Location — where will a crossing get the most use?
- **Park Road and Curling Club access**
 - Should Park Road location be dictated by access to club?
- **Three lane section**
 - Eliminate the right turn lane
 - Consistent with rest of project
- **Access to former VFW parcel**
 - Continuity for city street system
 - Opportunity to consolidate with curling club?
- **Access to visitor center**
- **Burlington Bay campground operations**
 - Use of Park Road shoulder

Option A – reflects current refinements to layout



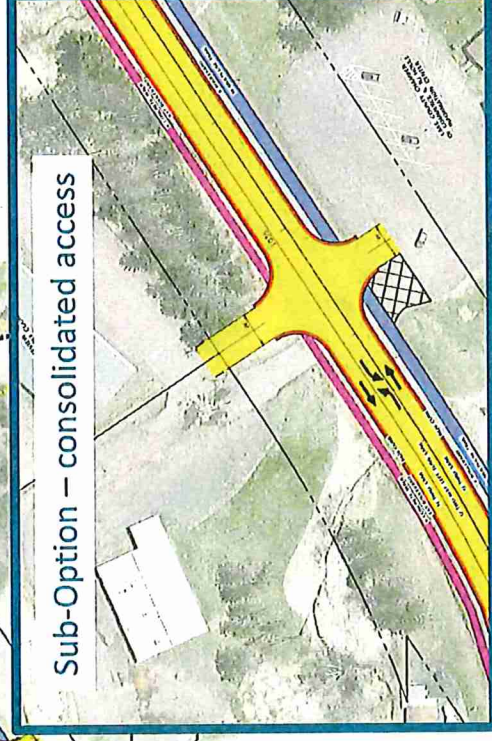
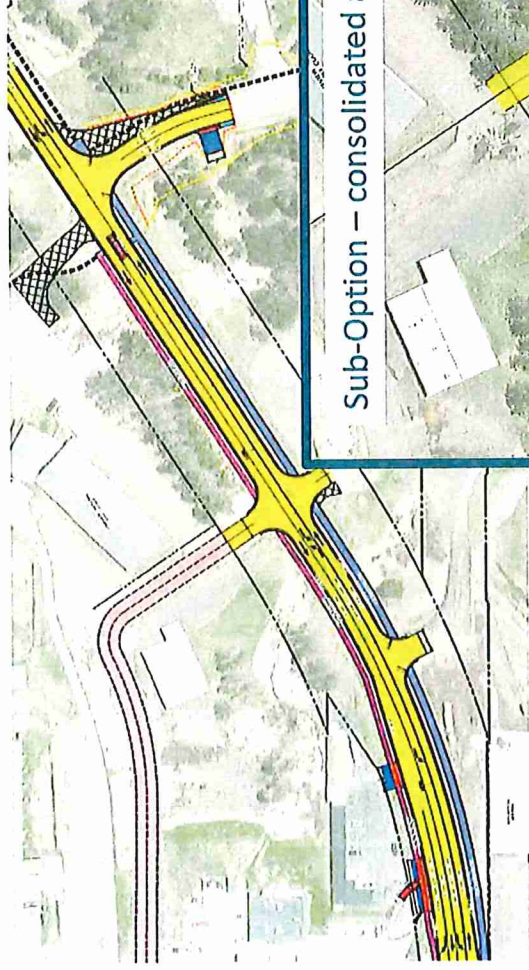
- Footprint at campground
- Pedestrian refuge location slightly shifted – will it get used?
- Closure of Visitor Center driveway

Option B – refinements in response to feedback



- Closure of existing curling club access
- New street/access at old VFW parcel
- Pedestrian refuge location at Park matches community feedback
- Minimal impact to campground resources and operations

Option B – refinements in response to feedback



dot.state.mn.us/d1/projects/two-harbors/

- Local costs range from \$25k to \$100k
- Shifting the intersection east could also work
- Has potential implications for street network
- Primary benefit is at Park Road

Option B – Park Road area



- Closure of the curling club access
- Provides pedestrian crossing where people want to cross
- Limits impacts to campground and related uses of Park Road
 - short-term parking on shoulder
 - connectivity to trails to south

Overall Project Schedule

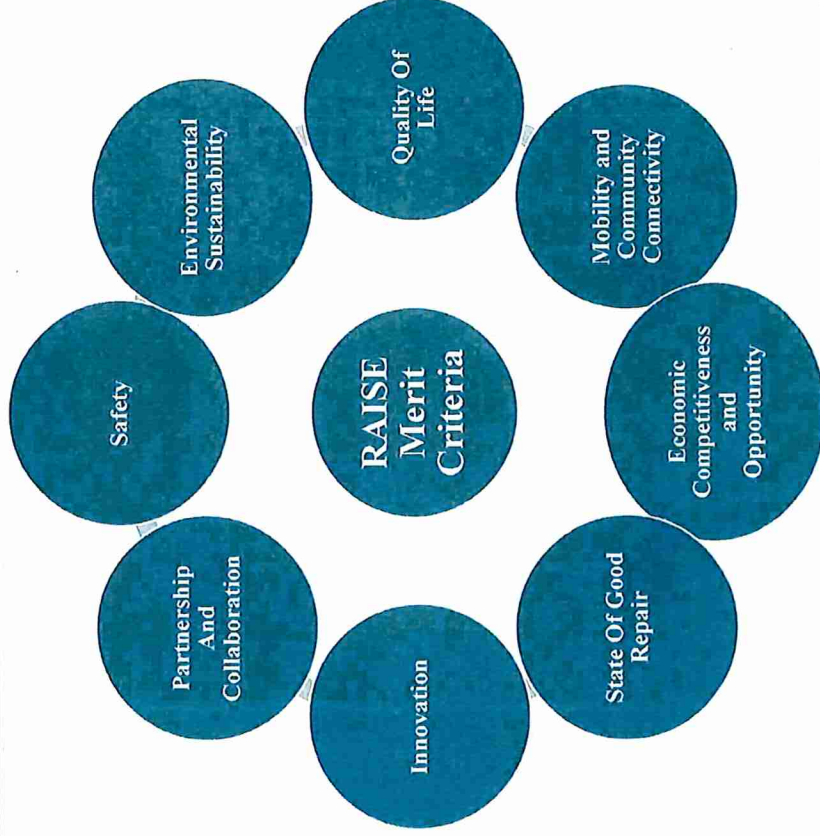
Project timeline



Other Topics??

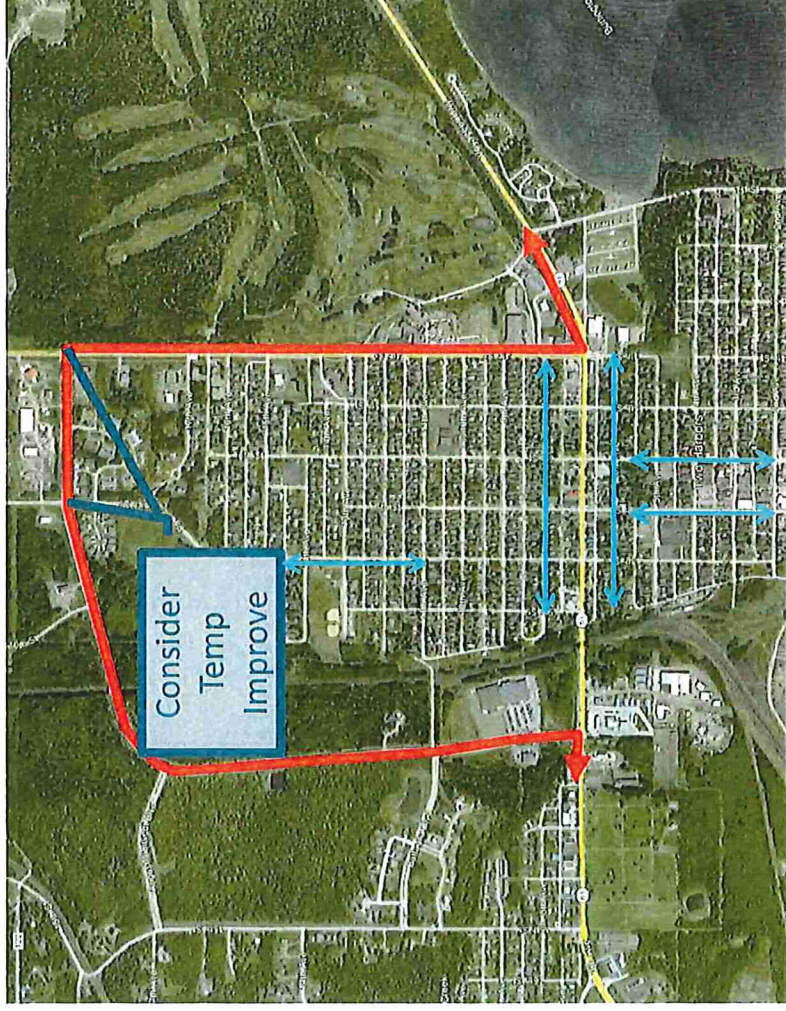
- **Construction Traffic Routes/Access**
- **Grants, Project Funding**
- **Parking**
- **6th Avenue Trail routing**

Federal Grant Opportunities



- Requesting \$18+ Million
- Needs City / County / State Coordination
- Needs to compete against other district and state projects.
- Addressing Safety Need
 - 2 Head-on Fatal S of Scenic 61
 - Serious Injury Angle at Park
 - Safety Benefit likely to score over 1.0 on USDOT BCA.

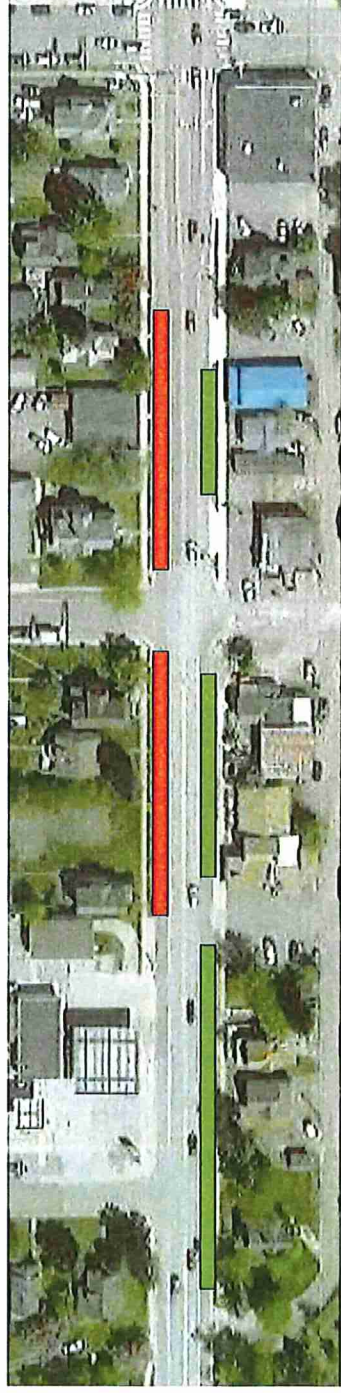
Construction Staging Likely Impacts



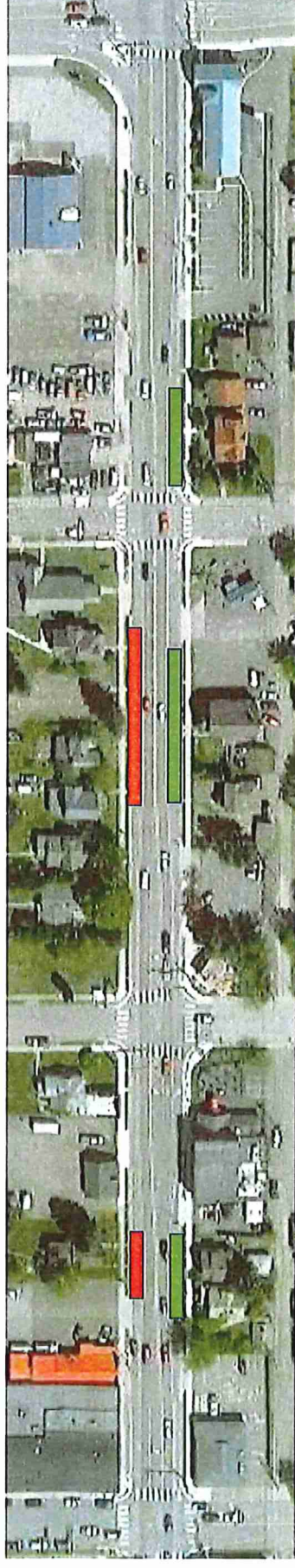
mndot.gov

- Utilize CR 2 and CR 26 as TH 61 Detour
- Temporary Business Access through Minor Roads.
- What does the City Prioritize?
 1. Limiting to shortest construction timeframe
 2. Business Access During Construction
 3. Recreational Traffic Flow

Parking on Highway 61



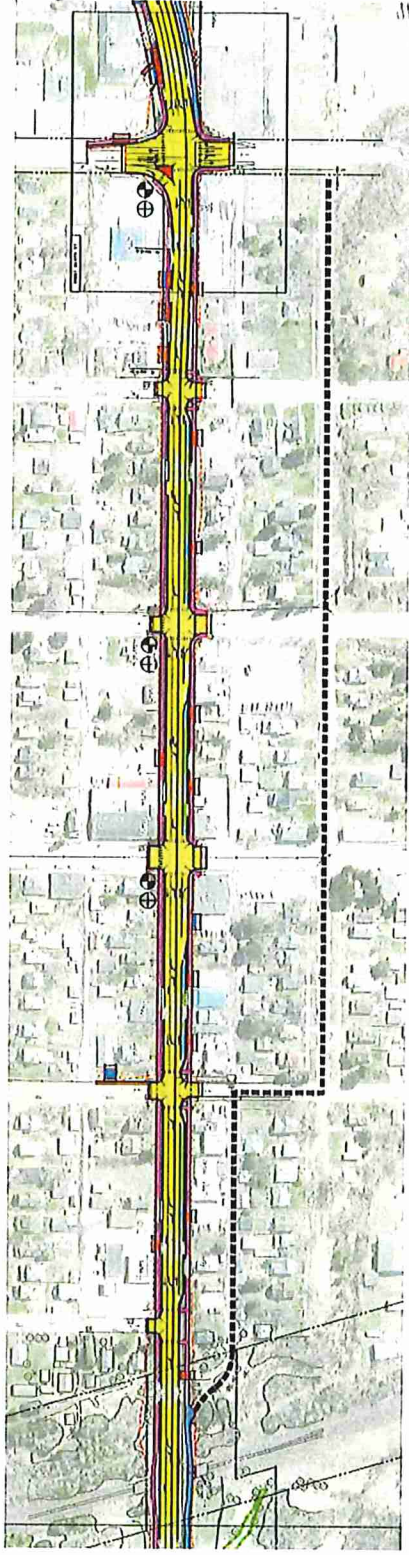
- Removing Parking from North Side (20-25 spaces)
- Maintaining/Expanding Parking on South Side



mndot.gov

6th Avenue bike trail connections

- Parallel route for bikes
- Separate from the MnDOT Phase 1 project



mndot.gov

Stay Connected / Project Contacts

- **MnDOT Project Manager**

- Josie Olson, P.E. / District 1
- Josie.Olson@state.mn.us
- (218) 725-2808

- **Project Website**

- <http://www.dot.state.mn.us/d1/projects/two-harbors/index.html>



March 23,2023

Mayor Redden, City Councilors, & Administrator Nordean;

It has been brought to my attention that there are potential changes to the Hwy 61 road project in respect to the access of the RJ Houle Information Center. I would like to take a moment to share my thoughts with you as you move forward with a decision on how to proceed.

The RJ Houle Information Center has become a valuable resource to not only Two Harbors but the entire County. Our doors are open year-round 6 days a week and we provide valuable resources to approximately 40 thousand visitors annually. The businesses, state parks, and organizations in Lake County rely on us to inform folks of opportunities and resources available to them while spending time in the area. Our visitors are exploring local businesses, seeking hiking, biking, snowmobile & ATV trails. Seeking State Parks, bathrooms, places to live, & even contacts for starting businesses and investing in our region. Visitors want to join organizations, patronize our locals, learn about our history and way of life. They contact us for lost pets, keys, or even lost family members. The resources we provide are endless and extremely valuable to everyone living here and visiting here. We are a connector and a busy one at that. Our staff of 10 work diligently to provide services & answer a variety of questions ensuring everyone has an amazing experience and their needs are met.

The property in question is owned by the City of Two Harbors, I hope that when making decisions the ability to look not just in the immediate times is thoughtful but also looking ahead 25, 50 years and acknowledging the value this access hold for the City of Two Harbors. We all know once it is given up the odds of getting it back are slim.

Thank you for the opportunity to share with you the value of what an information center brings to not just the visitor, but also to the residents who live here. I ask you please consider all options of the dynamics of what changing things up would mean. The rear access option to this property would divert all of this traffic into your campground which is also not an ideal situation for noise, safety or convenience.

If you have any questions and would like to discuss this any further with me, please do not hesitate to reach out. Our livelihoods are built on timber, taconite, and tourism in Lake County-please do not cut off access to this conduit of economic development. We work hard to keep our economy healthy and strong.

I thank you in advance for your consideration not to close off the main entrance of the RJ Houle Info Center on HWY 61.

Respectfully,


Janelle Jones
President/CEO
Lake County Chamber of Commerce
218-391-5081

Patty Nordean

From: Olson, Josie (DOT) <Josie.Olson@state.mn.us>
Sent: Wednesday, March 22, 2023 10:02 AM
To: Patty Nordean
Cc: janelle@lakecounty-chamber.com
Subject: RE: Tourist Information Center

Hi Patty and Janelle,

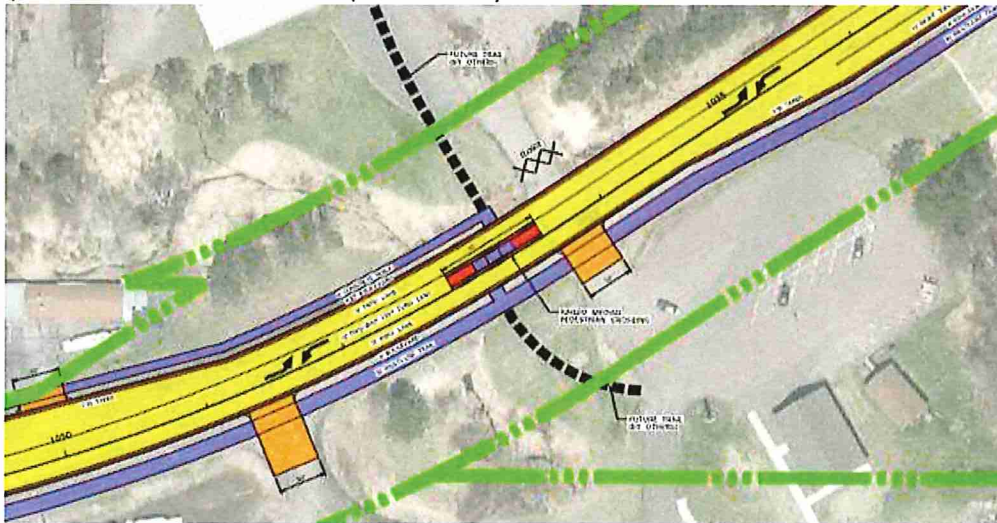
Please see below for response from our consultant designer regarding your questions about (1) placement of the pedestrian crossing and the access to the tourist center, and (2) the campground road. If we can provide any further information in preparation of tonight's meeting, please let me know. Thank you!

Question #1

There are three locations we've discussed for a new pedestrian crossing:

- 1) Immediately west of the current visitor center driveway
- 2) Immediately east of the current visitor center driveway
- 3) Immediately west of Park Road

1) In the case of location #1 (Immediately west of the current visitor center driveway):



- The visitor center can be directly accessed from both direction of travel on TH 61
- The old VFW property can only be directly accessed from the southbound traffic on TH 61 (if that driveway is left open – our design concept for this pedestrian crossing location indicates closure of the driveway)
- The Curling/Golf club access at Park Road remains fully accessible, except that we would want to align it with Park Road – that would have some minor impacts to the property
- This location places the pedestrian crossing furthest away from what we believe is the most desirable location at Park Road.

2) In the case of location #2 (Immediately east of the current visitor center driveway)

Josie Olson, P.E.
Project Manager | District 1

Minnesota Department of Transportation
1123 Mesaba Ave.
Duluth, MN 55811
218-221-6209
Josie.Olson@state.mn.us



From: Patty Nordean <pnordean@twoharborsmn.gov>
Sent: Tuesday, March 21, 2023 3:55 PM
To: Olson, Josie (DOT) <Josie.Olson@state.mn.us>
Cc: janelle@lakecounty-chamber.com
Subject: Tourist Information Center

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Hi Josie:

I met with Janelle Jones who is the CEO of the Lake County Chamber of Commerce and Lovin Lake County. Their Chamber office is with the Tourist Information Center which is located on the South side of Hwy 61 across from Craig Guzzo's property. They are located on City property.

I wanted to let her know about the options proposed by MnDOT and how they could be affected with the loss of their entrance off of 61 if Option A were to be selected. She is highly concerned about the potential closure of their entrance. They have a very significant amount of traffic through their doors and they believe moving the entrance would have a very negative impact for them. During our conversation, we came up with some questions that you may be able to help us with.

1. Is the closure of their driveway related to the pedestrian crossing? If so, is there a way to move that crossing to allow for them to keep their same entrance?

2. Is there an option to keep both the newer “campground” entrance and the Tourist Info Center entrance?

I have copied Janelle on this message so that she can contact you if she has other questions. As I stated earlier, in anticipation of tomorrow’s special City Council meeting, I am reaching out to those property owners who may be affected by the proposals so that when the Council reviews the options, they are able to consider how everyone would be affected.

I look forward to hearing from you. Please let me know if you have any questions of me.

Thank you,

Patricia Nordean

Administrator

City of Two Harbors

522 First Avenue

Two Harbors, MN 55616

pnordean@twoharborsmn.gov

Ph: (218) 834-8806

Fax: (218) 834-2674