The Planning Commission will meet on Tuesday, January 4, 2022, at 6pm at City Hall.

Any or all members of the Planning Commission & public may potentially attend such meeting by Zoom Video Conference or in person.

Additionally, if attendance at the regular meeting location is not feasible due to the COVID-19 health pandemic/emergency declaration, pursuant to Minn. Stat. Section 13D.021, subd. 1(3).

Members of the public may monitor the meeting electronically from a remote location by joining the zoom meeting at:

Jennifer Sterbenz is inviting you to a scheduled Zoom meeting.

https://us02web.zoom.us/j/83620693129?pwd=ZEFCM0xXcHlnVVpUT3RKeDl2UDBxQT09

Meeting ID: 836 2069 3129
Passcode: 437207
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Meeting ID: 836 2069 3129

Find your local number: https://us02web.zoom.us/u/kB3eAauGp
Planning Commission
Agenda
January 4, 2022 @ 6:00 p.m.

1. Call to Order

2. Approval of Agenda

3. Approval of December 7, 2021 Meeting Minutes

4. Public Discussion
   a. Public Comment

5. Commission Business
   a. Commission Organization (Chairperson & Secretary)
   b. Short Term Rentals

6. Staff and Commission Member Reports
   a. Staff Reports
      1. Total Building Permits Issued in December: 4 (Mechanical)
         Total Construction Value: $18,289.94
         Total Permit Fees: $287.00
      YTD Construction Values as of December 31, 2021: $2,813,633.50
      YTD Permit Fees Collected as of December 31, 2021: $25,670.35
      2. Commission is (1) member short as per City Code - need (9) members
      3. Economic Development Strategic Plan Update
      4. 2022 Work Plan
   b. Commission Member Reports

7. Adjourn

   Next meeting is tentatively scheduled for Tuesday, February 1, 2022 @ 6pm
I. **Call to Order**

Koehler called the meeting to order at 6:00 p.m.

II. **Approval of Agenda**

Motion by Swanson to approve the agenda. Support by Detlefson. Motion approved by all members present and voting.

III. **Meeting Minutes for December 7, 2021**

Motion by Detlefson to approve the December 7, 2021 meeting minutes. Support by Chapek. Motion approved by all members present and voting.

IV. **Public Discussion**

1. **Chelsea Chultz** – Chelsea spoke in favor of short-term rentals. She owns 3 properties that she rehabilitated that were previously blighted; she employees 19 people related to these rentals. She would like to see the short-term rentals continue in town.
2. **Michelle Andres** – Michelle and her husband built a home in Two Harbors that they utilize as a short term rental (Superior Refuge). They did so after visiting the area multiple times. They would like to see short term rentals able to continue.
3. **Brenda McNamara** – Brenda and her business partner Lauren have owned and operated a few rental properties in town for years. Brenda explained the benefits self-employment provided her and her family. She and Lauren do all of the work themselves and have been using the properties to teach their children the value of work and money as well. They are concerned for their livelihood if the City were to disable short term rentals.
4. **Matt Lepper** - Matt owns a home in town but travels for work. He rents his home out as a short term rental when he is on shorter assignments. He has had no problem with renters and appreciates the house being occupied in his absence. He has also owned a long term rental and noted some differences indicating that the long term rentals are often not well kept by the tenant. He would like to see short term rentals continue in Two Harbors.
5. **Darren Williams** – Darren spoke about the rising construction costs holding developers/residents back from building new dwellings, the difficulty of having long term rentals, and the higher profit margin on short term rentals. He would like to see short term rentals continue.
6. **Joel Schultz** – Joel (along with his wife Chelsea) own several short term rental properties. He spoke in favor of short term rentals and offered some ideas to get more housing in town. He indicated that the city should be rolling out the red carpet and not the red tape.
7. **Duane Wagner** - Mr Wagner would like to see a one-year moratorium on all new short term rentals in town. He is concerned that Two Harbors is losing its sense of community. He feels that taking some time to take a deep look into solutions is the responsible approach.
8. **Lake County HRA** – Paul Iverson & Susie Rosette spoke about the housing shortage in Lake County and the affects it’s having on the communities, the school system, and the workforce. They asked the Commission to put a moratorium on short-term rentals. Susie also indicated that there is a homeless issue in Two Harbors and that it just isn’t as visible in other communities. She also spoke of long term renters being evicted so the property owner can utilize the property for short term rentals.
9. **Jessica Carr** – Jessica and her husband are new to the short term rentals. They bought a home which requires some upkeep and they are doing rentals to offset those costs. She’s concerned that if the city eliminates short term rentals they may be in a bind.
10. **Dave Hendrum** - Dave owns a short term rental outside of city limits but spoke in favor of supporting short term rentals in Two Harbors.
11. **Lake County** – County Administrator Huddleston, Commissioner Gutermondt, Commission Hurd, and Environmental Services Director Christine McCarthy represented Lake County. County Administrator Huddleston once again expressed that the County would like to help the city with the housing crisis. They recognize that this is a county issue as well as a city issue. They would like to work collaboratively with the city and extend any resources they have available.

V. **New Business**

A. **Short-Term Rentals**
   Commission continued to hear feedback from the public.

   Motion by **Detlefson** to implement a one year moratorium on all new short term rentals for the purpose of conducting a housing study. Support by **Glaser** for discussion. Glaser indicated that she does not want to see “pauses” in the city. She would like more information. **Motion approved by Detlefson & Koheler; denied by Chapek, Anderson; Swanson abstained stating his wife owned a hotel, Glaser abstained stating she needs more information, Snowdon abstained stating she owns a short term rental. Motion fails.**

   Sterbenz to set up (2) two Planning Commission meetings for January. Lake County official to participate in one of them.

VI. **Reports & Communications**

a. **Zoning Administration** – Sterbenz updated the Commission on the building permits issued in November 2021. City Attorney Costley indicated that the non-conforming structure located at 815 7th Street has been removed.

b. **Other Reports**- None

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

Meeting adjourned at 8:05 p.m.

*Recorded and submitted by Jennifer A Sterbenz, Community Development Planner*