

**Planning Commission
Agenda**
October 6th, 2020 @ 6:00 p.m. via Zoom

The Planning Commission will meet on **Tuesday, October 6th, 2020**, at 6:00 p.m. via Zoom.

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

Additionally, the presence of the public 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.

Pursuant to Minn. Stat. Section 13D.021, subd. 1, there will be a meeting of the City of Two Harbors Planning Commission at 6 PM on Tuesday, October 6, 2020, will be held by Zoom Video Conference and any or all member(s) of the City Council may potentially attend such meeting by Zoom Video Conference.

Additionally, the presence of the public 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 online at:

<https://us02web.zoom.us/j/89233823033?pwd=R2VsRHNzUXpvdThndENzZkVOai8zQT09>

Meeting ID: 892 3382 3033

Passcode:

511494

One tap mobile

+13126266799,,89233823033# US (Chicago)

+16465588656,,89233823033# US (New York)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Germantown)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 892 3382 3033

Find your local number: <https://us02web.zoom.us/j/89233823033?pwd=R2VsRHNzUXpvdThndENzZkVOai8zQT09>

Members of the public will not be able to speak during the meeting. Public comments are to be submitted via email to: info@twoharborsmn.gov and must be received at City Hall on or before 3 PM on the day of the meeting.

THIS NOTICE OF REGULAR MEETING BY TELEPHONE OR OTHER ELECTRONIC MEANS IS GIVEN PURSUANT TO MINN. STAT. SECTION 13d.04.

Dan Walker, Administrator

Dated: October 1, 2020

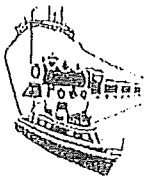
Planning Commission
Agenda
September 1st, 2020 @ 6:00 p.m. via Zoom

1. Call to Order
2. Approval of Agenda
3. Approval of September 1st, 2020 Meeting Minutes
4. Public Discussion
 - a. Public Comment
5. Commission Business
 - a. Mural Design Review
 - b. Housing
6. Staff and Commission Member Reports
 - a. Staff Reports
 - b. Commission Member Reports
7. Adjourn

Next meeting is tentatively scheduled for

TBD

(November 3rd is Election Day. We can choose an alternate date at our 10-6-20 meeting)



CITY OF TWO HARBORS

522 First Avenue, Two Harbors, MN 55616
(218) 834-5631 · FAX (218) 834-2674

Office of Zoning Administrator Application for Sign Permit

Application is hereby made to: ☐ Use ☐ Erect ☐ Repair ☐ Alter ☐ Extend
☐ Remove ☐ Demolish the sign located at _____
at a cost of \$ 2,500.00 for the following use: ☐ Residential
☒ Commercial ☒ Other Use (explain below)

mural

E 1/2 Lot 10 (not business related)

Legal description of property: W 1/2 Lot 11 Block 5
Lot/Section Block/Township Range

Description of the proposed use for this property, for which application is made:

15 x 15 ft mural painted on section closest
to sidewalk of Minnesota native & pollinator
flowers (see photo) incorporated into Lake
Superior & the North Shore Scenic View

A Plot Plan attached hereto shall also include the following plans and specifications

Type of sign: ☐ Fin ☐ Ground ☐ Pole ☒ Other mural

Size: 15 ft x 15 ft = _____ Height (from grade to top of sign) _____

I hereby certify that I am the owner or authorized agent of the owner of the above property and that all construction will conform with existing State laws and local ordinances.

[Signature]
Signature of Applicant

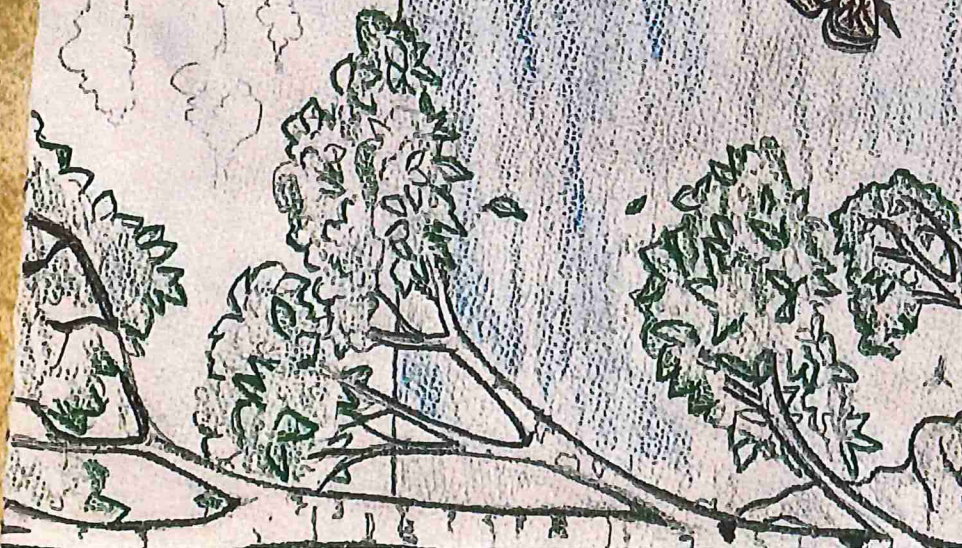
PO Box 244 Knife River
Address MN 55605

8/15/2020
Date

218-591-8039
Phone

Dr. C. C.

Shed Life





Maxfield
Research & Consulting

August 21, 2017

Dan Walker
City Administrator
City of Two Harbors
522 First Ave
Two Harbors, MN 55616

Dear Mr. Walker:

Attached is the *Comprehensive Housing Needs Analysis for Two Harbors, Minnesota* conducted by Maxfield Research and Consulting, LLC. The study projects housing demand to 2031 and provides recommendations on the amount and type of housing that could be built in Two Harbors to satisfy demand from current and future residents for the periods 2017-2020 and from 2021 to 2031.

The study identifies a potential demand for 707 new housing units to 2031. Demand was divided between general-occupancy housing (42%) and age-restricted senior housing (58%). Because nearly all the population growth is in the 65 and over demographic cohorts, strong demand exists for age-restricted housing and association-maintained housing products. Our inventory of general-occupancy rental housing found a low vacancy rate under 2% among the inventoried rental housing stock. The low vacancy rate indicates pent-up demand for additional rental units in Two Harbors. New for-sale construction has been slow since the recession. There is currently a limited variety of lots available to meet demand. Some options for new entry level lots could potentially be made available through in-fill or redevelopment. Detailed information regarding recommended housing concepts can be found in the *Conclusions and Recommendations* section at the end of the report.

We have enjoyed performing this study for you and are available should you have any questions or need additional information.

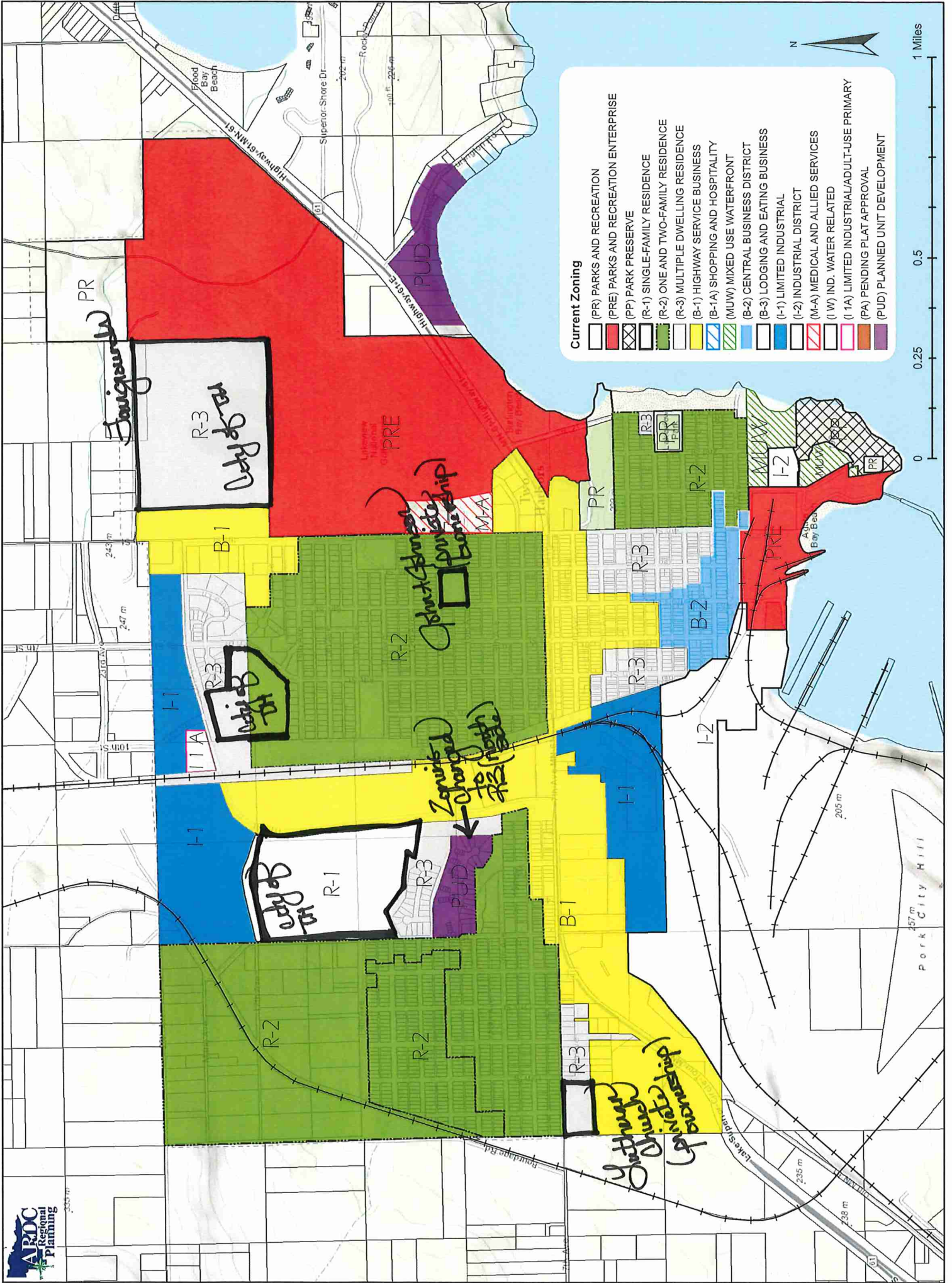
Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

Mary Bujold
President
Attachment

Rob Wilder
Research Associate

TWO HARBORS, MINNESOTA - CURRENT ZONING



REGIONAL REALTOR SURVEY RESULTS FOR IRON RANGE RESOURCES AND REHABILITATION AGENCY

August 24, 2020

On July 31, an interview - survey of regional realtors began and was conducted by Jim Glowacki, consultant to the Iron Range Resources and Rehabilitation Agency.

The purpose of the phone interview-surveys was to gather “front line” information from realtors, mostly owner - brokers, about key information and current buying trends that could provide material support for the IRRR Agency’s remote worker recruitment campaign.

The random selection method of gathering realtor names for the interview-survey was targeted to communities served by the IRRR Agency. Among the realtors chosen, a preference for owner-brokers of their real estate company was selected. This criteria assumed owner-brokers were reflecting their sales agents' perspective as well.

A questionnaire survey format of 12 questions was developed and approved by the IRRR Agency. A random sample list of 25 realtors was developed and represented the communities and areas served by the IRRR.

Of the list of 25 firms, 20 participated in the interview-survey process that yielded an 80% response rate.

The interviews-surveys started on July 31 and were completed on August 21. The following summary report reflects an aggregated response to each of the 12 questions.

1. Since March (the beginning of the pandemic), are you seeing and hearing from potential homebuyers from outside of our region. If so, where are they currently located?

All 20 respondents said they have seen more “out of region” interest and buyers than ever before. 80% are coming from the Minneapolis - St. Paul area followed by a random list of buyers coming from Rochester, Denver, Illinois, Wisconsin, Iowa, and other states

2. What are the reasons why the interested homebuyers are interested in property in Northeastern Minnesota?

75% of the comments heard from prospective buyers were related to Covid-19, rioting, and social unrest in the Twin Cities. Other random comments include:

Get out of the rat race

Feel hemmed in - Flee the city

Low interest rates

Retirees who were planning to buy in the future are buying now

US owners of Canadian Property are looking at MN lake properties

Growing number of bike trails is spurring more interest

Lower crime rate

Be closer to the BWCA and area lakes and wilderness

Want to live off the grid

Brainerd lakes property owners are looking here because Brainerd is too crowded

Clean air and clean water A recent couple from Iowa and their two children bought a cabin on Lake Vermilion. The two kids stood at the end of their dock and assumed the water was too polluted to swim in based on their experiences with farm polluted lakes in Iowa.

3. What types of properties are they interested in buying (i.e., lake homes, cabins, single family, rentals, commercial?)

80% are interested in buying lake cabins, lake homes or lake lots followed by:

Buying 40 acres or more for "off the grid" building

More interest in private islands and boat access lake properties

Single family homes across the range towns

A small percentage reported that out of region buyers were putting their properties into rental

Many regional realtors also commented that local banks are doing a great job in financing properties purchased by out of town buyers. Many prospective buyers have commented that their home town bank had

little interest in lending money for a lake home or land purchase up North.

4. What is the supply of housing inventory in your market (low-price, mid-range, high)?

100 % of the 20 realtors surveyed said they were in short supply of housing. Comments ranged from very low to a historic low.

The demand is outpacing the supply mostly among good quality homes (in town) in the price range of \$125,000 - \$225,000 and lake cabins and homes in the \$250K to \$400K range. More popular and larger lakes are short in supply in the \$400 K plus price.

Multiple offers over asking price are common as are listings lasting only a few days before being sold. More on-line buyers this year are buying properties without a personal inspection. Other reasons for the short supply are due to previously willing sellers who decided in the spring of 2020 to not list their properties due to economic uncertainties and being uncomfortable allowing buyers into their properties for a tour.

5. What is the demographic of the “out of region buyers” ?

Retired, and early retirees, 55 plus

Married couples age 30-40 with children

Professionals age 30-50s buying property up north to work remotely and some who have poor internet connections are renting small office spaces in town so they can access better internet service

Local buyers from 25-40 years of age

6. Do buyers have some connection to our region (formerly lived here, still have family located here, visited the area)?

The realtors surveyed said on average about 70% of buyers do have a connection to the area. Most of them have vacationed here in the past and are familiar with the area. This is followed by a family connection and

lastly a small percentage (through on-line research) are picking out properties and areas that fit their interests and lifestyle.

7. What are the positive comments you are hearing from potential buyers about our region?

Most popular responses were:

The regions natural resources such as lakes and wilderness (BWCA)

Clean air and water

Close enough to the Twin Cities for week end get-aways

When buyers come to Grand Marais they are all smiling and laughing and can't wait to find something to buy

"Northern Minnesota Nice"

Smaller town feel, slower pace of life, less traffic, less crime

Property costs are low relative to the Metro area

Recreation: hunting, fishing, ATV trails and Biking

8. What are the negative drawbacks to moving here?

The top response was marginal or poor internet service by 17 of the 20 respondents. (85%) Other drawbacks include:

Poor cell phone coverage in certain areas

Lack of shopping options

Lack of property to look at

Medical care (Primarily for retirees)

Winters are too long

4 hour or longer one-way commutes to up north

Young families hoping to move up north consider area schools to be less

equipped to offer the learning experience that they are used to in the Twin Cities.

A lot of potential buyers in the Ely area are very concerned about copper mining. One local realtor was advised by legal counsel to add "Future Copper Mining" in the disclosure section of the purchase agreement.

9. Do you think this surge in moving to our region will fade away?

95% of those surveyed think the interest in buying property in NE Minnesota will continue long after the pandemic and social unrest subside. According to the National Association of Realtors, at least 3-5 years

10. What can communities in northeastern Minnesota do to help newly located homebuyers feel welcome and a part of the community?

The comments to this question were mixed among those moving into towns versus those moving to lake properties. Some of the realtors who participated in this survey (and came here from outside the region) said they still feel like an outsider. Those buying lake properties are finding ways to be social and/or they are enjoying the solitude of their properties. Certain lake areas in NE Minnesota that draw a lot of out of town buyers are finding creative ways to connect with neighbors or groups of like minded people through the use of social media.

11. What incentives should be considered to attract people moving to our region?

The vast majority of respondents felt there is no need for incentives because the area sells itself and incentives are already here. Other comments included improving the internet, offering incentives to developers to build more housing. Two realtors in the survey said that there is a strong demand for lake condos or townhomes in the \$500,000 range for the retiree market. Also, realtors from the east Range communities are seeing a growing demand for newer housing stock, primarily singles family homes in towns like Babbitt, Embarrass and Ely.

12. What can Iron Range Resources and Rehabilitation offer to assist communities in making our region an inviting place to live and work?

The IRRR should continue to be a catalyst for promoting the beauty

of our region and work individually with communities who are anxious to recruit more remote workers to their communities.

The IRRR needs to continue to invest in community infrastructure to create stronger, more attractive communities particularly to improve internet and cell phone services to those areas that need help. Other comments include:

Letting people know that we have diverse and welcoming communities. For example, a young Vietnamese family recently started a nail saloon and purchased a home in Hibbing. They love being here and their business is doing very well.

A realtor who also works with banks and asset management companies on the Range is predicting that there will be a lot of home foreclosures on the Range next year. We need to be prepared to assist these affected people in finding other housing as they are required to leave their homes.

Expand ATV and bike trails. A realtor in Crosby said that 50% of all his property sales so far this year have been to “bikers” who love the Cuyuna area.

Advertise in the Metro area through social media like Facebook, Instagram and others. Consider getting quotes from people new to our area and use these “peer to peer” messages to promote our story to out of region buyers.

In closing, I found these 20 interview-survey participants to be very supportive of the proposed “Remote Worker” recruitment campaign. There were no realtors in the survey group who opposed this idea. I also took note of certain participants who expressed an interest to provide further support, by agreeing to review the remote worker campaign and provide feedback. Their names are as follows:

Malcolm Walker
Grand Rapids Realty- Grand Rapids

Joan Cotton
Mirabella Realty- Hibbing

Vern Lewis
Jacobs Realty- Crosby

Julia Maki
B.I.C. Realty-Cook

Andrea Zupanich
Z'Up North Realty- Babbitt

Charlie Chernak
Bear Island Real Estate - Ely

Gail Englund
Red Pine Realty- Grand Marais

KEY OBSERVATIONS ABOUT DIFFERENT REGIONS IN THE TTRA

GRAND MARAIS-LAKE SUPERIOR AREA

Property buyers tend to be more diverse than other areas in terms of their professional backgrounds, higher income levels, diversity and where they are coming from. More buyers are in the retirement stage or soon to be retired. Good internet services exist and a wide enough variety of shops and service to keep most people content and not have to drive down to Duluth

CUYUNA RANGE (Aitkin-Crosby area)

More recently buyers for properties in this area are mostly coming from the Twin Cities and the Brainerd area lakes region. About 50 % of the recent buyers are younger individuals and families, and mostly attracted to the large network of bike trails. The other market is made up of retirees or soon to be retired. Another reason the area is attractive to the Twin Cities market is that the Cuyuna Range area is only a two hour drive to Minneapolis

ELY AREA

More recently younger buyers from the Twin Cities are driving a large percentage of sales in the Ely market. Most buyers have a strong connection to the BWCA and to the wilderness. A lot of younger people are buying remote properties to “ get off the grid”. Ely certainly has all of the right amenities to attract people to work remotely, except the internet and cell phone service is a big limitation to attract more people.

QUAD CITIES

The majority of property sales within the towns of the Quad Cities and coming mostly from local buyers who are either first time home buyers, retirees who are downsizing or locals looking for a different home. Mining company employees and employees of mining services make up a large percentage of sales. Housing stock in the 125K to 225K range drive the majority of sales. Zillow for example puts the average price of a home in Virginia at 85K. However, housing stock in this price range is less desirable. Amenities are considered adequate and the schools are rated as very good. Other range towns such as Chisholm, Hibbing and smaller West Range towns are experiencing conditions similar to the Quad Cities.

VERMILION AREA

The buyers in the Vermilion lakes region are a lot like the Ely buyers with a strong orientation towards the lakes, wilderness and hunting and fishing. Buyers have higher incomes and net worth, and looking at properties north of 300K. Many lake homes in or near the one million dollar price range have sold this year . While many younger individuals and young families are buying lower prices properties, retirees or soon to be retired people are driving the sales of higher end properties. 2020 will also set a record for the number of visitors to the Voyageurs National Park who in turn are looking at properties up north. Again, poor internet service is a negative selling point across most of this lakes region.