

TOWN OF SILVER CREEK
CASTLE DANGE SUBORDINATE SERVICE DISTRICT
HEARING ON REPEAL OF LAND USE ORDINANCE
AUGUST 17, 2019

A hearing was held Saturday August 17, 2019 at 10:00 A.M. in the Lake County Highway Department Building at 1513 Highway 2, Two Harbors for the purpose of hearing all reasons for and against the repeal of the CDSSD Land Use Ordinance and transfer of zoning and land use administration to Lake County. Present were Supervisors: Greg Hull, Denny Moen and Chuck Voss; Clerk Alison Oftedahl; Deputy Clerk Laura Kleive; Christine M. McCarthy, Environmental Services Director; County Administrator Matthew Huddleston; County Commissioner Rich Sve; Mike Hoops, Randy Foote, Jane Wick, Brian Wick, Tom Opfer, Julia Jaeger, Christopher Jaeger, Sandi Gredzens, David Gredzens, Melissa Carlson, Eva Judkins, Mr. Judkins

Supervisor Hull started the hearing by introducing the Board members.

Hull: The purpose of the hearing today is just to take public comment. We will not be making a decision on it. It is to answer questions and to take comments from constituents. And so you will be given an opportunity to raise questions or make comments a little later on in the meeting. We are going to have a couple of presentations first. Just remind everybody of two things: one is the standard cellphone warning, put them on silent or turn them off. It is always embarrassing when yours is the one that goes off. The other is, the meeting is being recorded. So there will be a permanent public record. I recommend people make sure they speak the kings English because this will be preserved. When it comes to the public comment time, please be recognized. We want to do things decently and in order. Please raise your hand, be recognized by the chair and remember that you are directing your comments or questions to Board, not the general audience. So with that in mind, just kind of the explanation as to what is being proposed here. Back in 1999 when the subordinate sewer district was established and built there were zoning and land use ordinances that went into effect. The Town Board was the Land Use Board and at that time the zoning and land use restrictions that we put in place, or that were put in place, were more restrictive than the County's. Which they had to be. They were significantly more. There were significant difference between the Township's and the County's. And so for over the course of the last 20 years a couple of things have happened. One is that the County has come much closer to where the Township was they had originally been when the district was established. Consequent to that what's happened is, is in the administration of the zoning ordinances it's created a little bit of a problem for people because they had to deal with both the Township on some issues and the County on other issues. There was a lot of duplicated work and also made it a little bit more complicated for people than it really needed to be. The second thing that has happened in the 20 years is through state statute and federal regulations the administration of land use has become significantly more complicated. The administration of wetlands is a good example and its becoming increasingly technical. The Township does not have the technical expertise to do a lot of that work and so we have to rely on the County to go out and do it on our behalf anyway. And as a consequence also the whole cost of administrating the land use ordinances has become expensive. And we don't generate near the revenue to administrate this plan. The building permits and various things don't generate anywhere near the revenue that is expended in the administration of. So in light of the fact that it had become more

technical, it has become more complicated. In light of the fact that both the County and the Township have come much closer together and we are basically an overlay of the County plan anyway it just looked like in order to maintain some efficiencies, to eliminate some bureaucracy if you will for land owners. That it made sense at this time for us to go ahead and vacate our ordinances. Which would then have the effect of turning all of the zoning over to the County within the Castle Danger District. So that is what is being proposed. That we vacate our ordinances which would then have the effect of turning the zoning within that district over to the County. Of course, two basic questions, is this going to cost anybody anything and how is it going to work, how is it going to affect people? So, we have worked, what, for the last year at least on taking a look at both the County zones, the Township zones, how do they overlay, how do they match, what are the changes. And to try to be able to explain to people how this is going to affect their particular parcel of property. So Christine is here who is the Lake County Environmental Services Director and she is going to address some of that. Can say the two biggest changes is that where short term rentals have not been allowed in the district, under the County regulations they will be allowed as long as the person meets all the requirements that the county has set down. And then there are some changes regarding classifications of some parcels. And those seem to be the primary differences between what exists now and what is being proposed. So with that Christine you are on.

McCarthy: It will take a minute to load again. But what I'm going to pull up here is three separate maps. And we have them in the back too as well. The top one is your current zoning as it is with Castle Danger Sanitary District. The second one, and I'll go in more detail, the second one is if it was to revert to most equivalent zones to what's currently there. The third one is what it would revert to the zones that were in existence before it became the castle Danger Sanitary District. So, I'll pull this one up. I don't expect you to be able to read all of them as well. I guess I can enlarge part of this. This is the Cedar Ridge there. So basically, this is the way you have it right now. It's broken up into a very few Resort Commercial areas, which is the RC. And there's a couple of RCs' over here. The rest is basically, all this is a Commercial district the rest is identified as basic residential sewer, residential non-sewer. That's the way it is right now. So, moving to the second map. So, we try to take our current Lake County zoning and match it up as best as possible with what you currently have. So, the only change we made was in this area. We expanded the resort commercial area because there were only a couple locations which were RC, and that's what we call spot zoning and we don't like that. We believe this needed to be expanded, but we think it's a good idea anyway. And then you can see the R4's. It's basically this whole area, this whole area, and then Resort Commercial up here which is, that's currently the former Gooseberry Village area. And then just a smaller, would stay the same. As this is currently the same as it is now, show the main differences between those two in the R4. The R4 and the RZ have the same minimum acreage. It's two acres. The biggest difference that I want to bring to your attention is in resort commercial, you could, without a conditional-use permit, which is, you know goes through the hearing use process and works with the Planning Commission, you could obtain a permit for 4 or less units. Which would be like a small resort or something like that. You wouldn't have to go through the hearing process. That zoning allows that. What's prohibited is in the R's, the only thing that's prohibited in the RC are kennels. Dog kennels. In the R4, once again two acre minimum, but what's prohibited in the R4 are dog kennels, gravel pits, or aggregate mining basically. And I'm going to read it specifically. It says kennels aggregate pits and commercial uses, except for bed and breakfast and vacation rentals. So bed breakfast and vacation rentals would be allowed in the R4 but you wouldn't even be able to apply for a variance for anything other than

you know in a commercial use. You wouldn't even be able to get a permit for that. And why it's important to understand this is kind of why we are here. Is if we go to that, there will be no development other than residential. So, then the third option is going back to the way it was before 1999. This is what the zoning was prior to. Basically, you have quite a bit of RC. So that's basically the whole this portion. So, this portion above 61, the whole lower portion of 61 over to the park, you have a R4 and then once again that area is Park commercial. So those are the two. Does everybody understand the three that I set out? Any questions specifically related to how that's laid out? So

Denny Moen: one question just for a matter of information sake. In 1999 when the first change was made. What was the thinking behind how it was divided? Do you know? Why did they change it in the first place from where it was? What was driving the train?

Oftedahl: The sewer.

Hull: There was a bit of an apprehension by residents in the area that if we built this sewer system it was going to generate uncontrolled development. And we were going to wind up with houses on every two and a half acres. And so that was, it was that concern that was, I don't know if I can say it was the primary, but it was a driving motivation behind the development of the zones and the zoning.

Moen: I can see that.

McCarthy: One thing to point out too, is in the RC you can still have residential. So, if you're already there you can still have residential option.

Oftedahl: I have two just questions of clarification. Because the one I might have misheard, but the RC and the R4, it's a minimum 2 Acres not 4 correct?

McCarthy: Correct.

Oftedahl: And you might have said that, but I might have misheard because of R4. RC Resort Commercial is more than resorts. It is other restaurants and

McCarthy: Oh sure. Yah. Commercial yah. The conditional, it just gives examples for conditional uses that you can obtain within that although we take that on a case-by-case basis to the Planning Commission. But the listing in the ordinance is, so residential planned unit development PUD's, commercial planned unit development, eating and drinking establishments, grocery stores, retail stores, water oriented commercial activities, service-oriented activities, recreational camping areas, towers if proposed to, and then or the retail and wholesale dispensing of flammable liquids including gasoline. But that's just listing, it doesn't mean, unless it's a kennel, you can probably apply for a conditional use permit for it if it meets the requirements.

Hull: what do people have against dogs? Anyways.

McCarthy: That's another meeting.

Hull : Yah I know. Okay? Alright we will begin take questions. A,gain if you raise your hand and be recognized by the chair and then direct your questions to the board.

David Gredzens: One question that I have that is rather significant here since the 90's and that are the regulations and ordinances in terms of what's allowed in our area. And these have a major impact, one is density issue, another one is building heights, lighting in terms of not having upward lighting, signage, and a host of other things. A lot of effort and time was spent in developing those ordinances and regulations. And personally, I don't like to see those violated or ended or changed somehow to the detriment of those things that were important to those residents of the area.

Hull: And that's a good point. And to be clear, what we're saying in this transition is not that this becomes "anybody can do anything". If for example someone wanted to do a short-term rental. they would still have to go through all of the process with the County in order to get a short-term rental agreement signed. Signage becomes the same thing. It's not, we're just eliminating, and you can put up whatever you want. Now the County's regulations regarding signage will be in force. So, this isn't going to be that there's no rules there. This is going to be that the rules that have been in effect for everybody else are going to apply there too. And this is where we said there is now very little difference between the regulations. So, the amount of density that was permitted under our regulations isn't going to change under the County's. There is still going to be limitations. As then as far as the density goes, how much building? Hypothetically could a house be put on every two-and-a-half-acre parcel? Hypothetically, yes. Practically, no. Because there is all the other limitations. You still have to have room to put a sewer in. There is, capacity for the sewer system? There is, all the setbacks are still enforced. All those regulations are still going to be enforced. It's just that they will be enforced by the County not the Township.

David Gredzens: Okay but who is going to supervise and how is the whole Sewer System going to be handled then?

Hull: We aren't eliminating, this is not the elimination of the Sewer District. We are not eliminating the District. The Township will continue to operate, manage and supervise the Sewer System. And so obviously, we know what the capacity is and so if someone comes into the County and says we want a building permit to build a house there, well one of the question is, what are you going to do about your sewer system? They have two choices. The primary one being you have to tie in with the Township. And so, then they'd have to come to us for that. They would go through the whole procedure to tie into the Sewage Treatment System. If we reach capacity and we just can't add anybody else because we've hit the capacity and they come in and say "well we want to build a house" and the County says "Fine. What are you going to do about your sewage system? well you don't have room. You can't build a mound. There's no room in your lot and by the way the Township won't accept any new customers on their system". They don't get a permit to build a house.

David Gredzens: So Silver Creek Township still maintains all the sewer system and other things

Hull: yes

David Gredzens: So, if we have a problem with the grinder station, which happens to a lot of people, they still come out and fix it?

Hull: There will be no change to the Sewer. This is not about the Sewer System. This is about the land use ordinances regarding the properties. So yes, we are not we're not

shutting down the Sewer System. We are not turning over the management of the Sewer System. All of that will continue as it has for the last 20 years.

Jane Wick: We have parcels of land that could be divided into many. Say we wanted to sell that. What's the capacity? When you say a number.

Hull: we are at about

Hoops: I'm at about 60% during the summer months and much less than that during the winter months.

Jane Wick: Where does that leave a person if they want to sell? That land just lays there?

Hull: no no no

Hoops: 60%. We have about 40% of the capacity left in the system.

Jane Wick: Is that what you had? Oh, I thought it was

Hoops: June July and August. During the rest of the year there's more than that. It's not an issue

Jane Wick: It's not an issue?

Hoops: We have a lot of capacity left in the system for residents.

Hull: Look at it this way, we could have half again the amount of flow into our sewer system than we currently have

Jane Wick: this is if, but you can't

Hull: We could take half again what we're getting now and be able to handle it. So, there is plenty of room for expansion and capacity. And that by-the-way assumes that we don't then have room. If we hit the capacity of our system, then we would look at it and say do we have room to build another pond and we expand our treatment capacity. Because that becomes the next option.

Jane Wick: Thank you.

Sandy Gredzens: What is the status of Gooseberry Village. I mean, we haven't heard anything about that in years so what's going on?

Hull: The Gooseberry Village property went tax forfeit. So, the State took it. The County owned it. This in the last eight or nine months the County sold it to the Township and the Township turned and sold it to a private party. And so that's now in the hands of a private owner and they are not entirely sure. They have some ideas and some things they would like to do with it. But nothing is firm. And the one thing we do know is that the original development that was going to go in there is not going to go in there.

Sandy Gredzens: and so, was it going to be a resort? It is zoned resort, right?

Hull: If they want to build a resort, they can build a resort. But they would have to go through the whole process and come in with a plan and public hearings and approvals and everything. Right now, it's just the building and the private. Some of the former

investors purchased it. And I don't think they know at this point what they're going to do with it.

Sandy Gredzens: My other question is about setbacks. Cuz I know that when we put our addition in, we went through a lot of work proving. We had to prove that we were not in danger of the slump line. I mean we with erosion. We jump through a lot of hoops to get our permit to expand our home. And so, I'm wondering now what the setbacks are in Lake County. Is it still so many feet back from the slump line? I think it was like a hundred feet back from the slump line. Is it that restrictive or or is it a little

McCarthy: are you talking for slump line are you talking about bluff are you are you talking about vegetation line?

Sandy Gredzens: Vegetation

McCarthy: so, on Lake Superior it's 40 feet. You probably had additional reasons for that.

Hoops: That piece of property, I was involved with that. It's in that clay slumping area. Right up the shore there. And there's that additional setback. Or you have Erosion Hazard Area. It has to be proven that it's not slumping.

Hull: The simple answer is the rules are the same.

Oftedahl: The rules are the same.

Sandy Gredzens: The rules are the same.

Hull: The rules are the same .

Oftedahl: Yah. Most of those environmental rules came down from the state anyway and we are required to enforce them. Correct?

Hull: Correct.

Sandy Gredzens: Thank you

Tom Opfer: The ah, says here in this, that the expansion of the boundaries of the resort commercial zone is under consideration. Is that? Has someone applied for something? How hard is it going to be to put a resort on that residential property that's between the existing Resort and Castle Danger Road East Castle Danger Road? There are just lots in there that are residential. And some folks now bought up to 600 feet of that by one owner. So, can that be put into a commercial property? How hard would that be to get a commercial to get a resort on that residential property?

McCarthy: Resort has to meet minimum acreage as well. It's five acres.

Tom Opfer: Well, that they have that

McCarthy: Well, then it wouldn't be able to.

Tom Opfer: They would not be able to at all?

McCarthy: They wouldn't be able to apply.

Opfer: Wouldn't be able to apply?

McCarthy: They could apply for a variance. But, you know, you can go for a variance for, well you can't go for a variance for a use.

Opfer: So, it can't happen?

McCarthy: If they didn't have five acres.

Hull: If they do not have five acres now. Can they buy two or three adjoining parcels, join them together and create a five acres? Sure.

Opfer: They have 600 feet of frontage on the Lake. And of course, that's quite a bit of land. I don't know how many acres. More than 5 certainly. But I wanted to make sure but that can't. The Township rules won't allow that I don't believe. But I'm not sure that the County will not allow that.

Oftedahl: I think he's speaking of the zone change. If they change from our Residential to your Resort Commercial then yes

McCarthy: If it was met before, if they met the criteria for Zoning for the acreage and different criteria and it was 4 or less units.

Opfer: 4 or less units.

McCarthy: That's what, it wouldn't require a conditional use permit and have to go through the Planning Commission. If it was any more than that it would have to obtain a conditional use permit and we would have to go to the Planning Commission

Opfer: But if they wanted to, say they build some units on there. Then they wanted to get like a bed and breakfast or a daily rental thing they could apply for that?

Hull: Sure.

Opfer: But they could apply for that through the Township also.

McCarthy: Only the bed and breakfast if I'm not mistaken.

Oftedahl: Yep. We only allowed bed and breakfast in the residential.

Opfer: What's the difference between a bed-and-breakfast and a motel. I mean I mean a hotel. It's the same thing isn't it? Really? Well once you've got this property and several units on it then you can rent them out under the County rule. But you can't under the township rule.

Hull: Tom I'm not sure. Cuz you're talkin a) some hypotheticals here and secondly what it is, is the only significant change that's going to happen as far as can you rent property out, can you build a resort, and so on and so forth is this. Is that currently the overnight rentals, the people that are advertising on Airbnb "come stay at our place overnight", so on. Is not permitted right now within the Castle Danger Subordinate Sewer District. All right? We don't permit that. The County does permit that. So that would be the change. Now if, if ,they met all of the requirements, whether it's four units or 40 units. If they had enough acreage, if we have the sewer capacity, if they can meet the setbacks, if they can do all of that. If it's allowed by the Township it would be allowed by the County.

There may be some slight expansions, but it isn't going to be "if we keep this, this guy can't develop this property. But if County does, then he is going to develop his property". The changes just aren't that significant. The only major difference being, that overnight rentals. Now what's the difference between an overnight rental and a bed and breakfast? Good question. Because we ran into this. Where someone was doing an overnight rental that didn't have the permit for it and we said you are not allowed to do that. However, their parcel did meet the requirements for a bed and breakfast. And so, they went through the process and obtained the permit to run a bed and breakfast. With all of the conditions. Now functionally what change? Functionally, nothing changed. Functionally. But in technical terms did something change? Yes. and so those become the differences. The nuanced differences.

Opfer: That property, I talked to the owner this past winter, and I didn't. He wasn't. I asked him the question whether what he was going to do there. And it's a lot more than five acres. It's a big area. And he wasn't sure. Though there are rumors that he was going to put up another house and a guest house and all this, you know develop it quite a bit more because he has the property there along the shore. So, it's you know the question is whether or not he puts a resort in there

Hull: If he meets all of the criteria and the requirements, yes. He can. If he does. But those are all the requirements that he would have to substantiate that he met.

Randy Foote: I just have. You're talking about all this property. You're talking about, could you point out where that is that they're talking about. This 5 Acres or whatever it is

McCarthy pulled up the map and multiple constituents simultaneously tried to assist Foote in locating the specific parcel in question

Hull: Tom, let me ask, what's your point here? We can't institute

Opfer: I want to know what it takes to get a resort into there

Oftedahl: Under ours or under the County's?

Opfer: Well that's the difference, the difference between. It can't happen in the township or if it happen easier in the counties

Oftedahl: well I think ours is zoned Residential and it couldn't.

Opfer: it's residential.

McCarthy: So, it wouldn't be able to if in one of the options they would not be able to because it's an R4.

Opfer: Because it's what?

McCarthy: Because it's. It would be an R4. They would not be able to. those are they are within what could be proposed as the R4

Kleive: Christine, so what is your, what is Lake County's perspective on the two different Maps. Why would you go one way versus the other?

McCarthy: I think you have to just look at development predominantly. It's an opportunity is what it is.

Kleive: But to stay the closest to what

McCarthy: And reasoning and spot zoning is not a good idea. That's why at a minimum we expanded this area.

Kleive: And at least the area that they're concerned about in the other map, it stays a similar to Silver Creek Zoning. It would not be allowed.

McCarthy: Exactly. This is the map that most closely matches what is currently there. With the exception of expanding this area. Because we don't want the spot zoning. That's really the biggest difference.

Brian Wick: Which of these maps are the one that's being proposed. We're going back and forth, and I think there's some confusion. Which one is the one that would be the one that we're going to? Which one?

Matt Huddleston: There is nothing right now being proposed. If the Township got rid of their zone right now. The County's current zoning that underlies it is the one that has more Resort Commercial. That's where our zoning currently is. The Township adopted zoning over that. And they are enforcing that. As we move back, the question is whether to move and align, change our zoning to align more closer to what the Township does. Minimizing any spot zoning, as Christine noted. Or to go back to what the county had before. The Township is considering whether they no longer have zoning or not. The County is here as part of this as try to understand and hear from people in terms of what do we want to see with the County zoning that is underneath that. So, I think we're just posing the question do we want to try to keep some Residential Commercial or Resort Commercial. Which does allow for some potential extra development, but I would not all this talk about whether Resort would happen or could happen. There are requirements. But even if they met all of our requirements they would have to go to a public hearing in front of the Planning Commission and meet all of our requirements. Just because it's allowed doesn't mean that this spot could happen or that spots gonna could happen. The Planning Commission has to weigh each spot and determined weather in this zone, is it appropriate to have a resort here or here. They deny things. I mean that's why we make it a conditional use, because we're saying that it's not right to be everywhere. And I would note, the shore of Lake Superior is the only spot that really has an R4 that restricts commercial development or much development. You go interior where all of the other Lakes are the zoning is RR. you have the ability to do conditional uses. But all the rest of the shoreline in the county, up in Fall Lake, White Iron Chain of Lakes which is much residential, there's a potential for someone to do a resort. But again, that goes to the Planning Commission. There's not all spots make sense for Resort. Not all spots with the Planning Commission approve them. Our R4 on the shore is just very restrictive. We just want to make sure we bring that forward. If we match with an R4 you are pretty much saying this is all it's going to be even if there might be some opportunities where it might make sense for Resort you are not going to have that if you go to R4. So, we're just we're posing that. And you have to understand that when the County did zoning back in the 70s this whole area ended up RC. You've got to think of it as our zoning was on the whole shore of Lake Superior. There was more commercial stuff happening here. And so, the North Shore Management Board and the County looked at this as more commercial. Now the township took it over and you looked at it and it even smaller basis and they dissected it out into specific residential and specific commercial zones. So, we as the County and I'm Matt, County Administrator. Sorry.

McCarthy: Matt used to have my job. He had the planning administrator before I did. He has good insight

Huddleston: And so, I just want to hear what the folks in the Town wanted and to explain why we're looking at this. But ultimately this decision, if the township does get rid of zoning, will be the County Board. If they need to change it to R4 we will have to have a hearing ourselves and set those zones. But either way we were planning to have a hearing to deal with our zones.

Sandy Gredzens:

Hull: Sandy can I interrupt you just a minute?

Sandy Gredzens: Yes.

Hull: Brian did you get your question answered?

Brian Wick: Yes.

Hull: Sandy

Sandy Gredzens: So hypothetically, if this person applies to have a resort on that land, and I understand he has to go through a public hearing and all that, will we as Castle danger residents be notified of that hearing? Because it does impact us.

McCarthy: Yes, you will, within a certain radius of the proposed request.

Huddleston: So, conditional use standards are 1/4 Mile or 10 landowners whichever is

Hull: And the hearings are public posted and all of that. Nothing is going to be done in smoke-filled rooms that nobody knows about.

Hull: Julia

Julia Jaeger: owner of Gooseberry cabins. so if we reverted back to what the zones were in 1999 not only there could be more development, but also allows for vacation rentals correct?

Hull: Correct

Julia Jaeger: So, as a small mom and Pop Resort owner that makes it feel somewhat vulnerable to a lot of expansion. I mean I get 30 calls a day this time of year for same night rental. So, I am not saying there is not the demand for it. It's just the vacation rentals concern us. Just because they are not necessarily taxed as high because it is taxed residentially. Plus, if you are an R4 with vacation rental you are not paying higher taxes.

Huddleston: Mr. Chair. That's a changing environment right now. You might have heard Cook County did a change of classifications on vacation rentals. And then the State took a stance and said, I believe they have to be commercial, but I think our assessor's office is trying to weed through if you rent one night a year vs renting more. Where are they going to draw that line? So, I think they're moving more towards the commercial classification and that's where they're going to end up. So, it's kind of a new transitioning area for classifications for taxation. I think they're going to be commercial. And if the

county does move into the lodging tax, which is another discussion that's happening. They're certainly on our radar where they will be paying lodging tax just like any other facility. Just like they're being inspected by our health department and licensed just like any other commercial hotel and motel room.

Chris Jaeger: Who is administering them now? Who do they have to go through right now vacation rentals? From licensing and who's keeping an eye on them?

Huddleston: Our health department. We are a delegated County. So, we took over that from the State. So, we license them. John Weidner is our Environmental Health Inspector. He does that. Planning and Zoning side of it, we permit them from a land-use standpoint. They've got to go through our Planning Commission as an interim use permit, and a public hearing and receive approval. And that's solely on a, could be a 1-5 year basis and then they have to come back to the Planning Commission and keep getting approved to make sure they're meeting requirements.

McCarthy: It's probably the most restrictive process in the state. Right now. I mean it's very, I try to tell people that it gives you an opportunity to weigh-in on it because if we didn't have it, your neighbor could do it, and you would have no nothing to do or to say about it .

Chris Jaeger: Obviously we've known John. I mean we have to work with him ourselves and what not, and our conversation with him this spring was that he is unaware of a lot of these. That people are just putting them on Airbnb. And there is, unless somebody, unless one of the neighbors makes a phone call with a complaint, that he doesn't have, you know he can't just go knock on the door or whatever and do an inspection. I think that's. I understand that there's a process, but it's always whether we go through the process and what not right? All of this right now. You know what you're saying. That you think you're going to go to commercial and just for clarification I think if the Township decides to, to not to revert back to this. We're going to go to this and so the County Board would have to do another vote themselves if we were going to do any sort of more restrictive zone. Right? So, there's a whole lot of steps here that are going on that we don't even know the answers to. But the Township saying, you know, I mean just from a small-minded perspective, here I mean, we'd be better off waiting to see what you guys are going to do. Is vacation rental going to be looked at as a commercial property, taxed and, and watched the way we're watched? And how is the County going to Zone this area before the Township gives up all of its rights. I mean, personally, and I said this at the last meeting. I love the idea of the Township guys. And I realize, Mike how long you've you've served on the board and and, and Greg. Anytime somebody serves you're never going to be compensated enough guys. You guys knew that before you even stepped on and and so we we vastly appreciate everything everybody in this room does. I mean even the guys that do it full time. And gals. They're not going to be compensated fairly. It's a service job and we realized that, so I know there's no easy answer. I think the other thing we kind of found out in that first meeting that we were at was there's not a lot of permits for land use in the sewer district ask for are there? I think it's less than five a year we were talking about.

Oftedahl: it's not a huge number but if one of those is for a giant resort, cuz we do have a resort areas there can be a lot involved.

Chris Jaeger: there could be a lot involved with just little resorts. I understand it's a lot of time. Especially before we know where some of these things are going to fall in play that

could impact us a lot in the future. Not tremendously. I mean 20 years has proven that that that it's not going to be crazy out of control like maybe we thought it was when we first put the sewer in. Right? I mean 20 years have been a good marker for us. But but these vacation rentals have also picked up a lot of steam in the last handful of years. So.

Hull: Mr. Commissioner

Rich Sve: Thank you Mr. Chair. I also own land in the Castle Danger Sewer Service District and of course I live right up on the border of Silver Creek up by Split Rock. One thing I want everyone to understand is that the County Board has talked with the Town Board on what's going to happen here. The Commissioners have all agreed, what the people want and what the Town Board want is what we're going to do. Because this lower piece, or if it is this upper piece, that is what we are going to consider. That is what will give the most weight to anything that we will make a decision on. And our initial talks was the old overlay that, we wouldn't be headed that way. That's why we went through this whole exercise. We've been working on it for just about a year. Maybe even longer now. And to really understand what was put in place in 1999, by that Town Board. And how does it best match up today with our zoning. There might be some slight tweaks, there might be some little bit of ordinance language that's different. But it is very minor. One piece that is significant, what's been addressed here, is the vacation rentals. Because that would be allowed under the County ordinance. But David you had brought up like signage and downward lighting and all those pieces. Those pieces exist in our ordinance. For lack of a better term our ordinance has caught up with the Town ordinance that was put in place in 1999. So, it doesn't way lay all your fears in your concerns on this. But that has always been my understanding from my fellow Commissioners that what this Board wants and what the people of this area want, is what we're going to do our best to try and fill that up. Thank you.

Hull: Let me say, if indeed the Town Board does adopt this resolution to vacate our ordinance. It doesn't mean that that takes effect that evening. There will be an indeterminate, at the moment, period of time. It might be six months or whatever, in order to affect the transition. During which time, I would imagine, the County would have some hearings to get the feedback so that the question can be answered which of these maps are we going to use. It'd be nice to have the answer to every question that you could possibly have before you have to make the decision but sometimes these things have to be done a step at a time and that's kind of where we are.

David Gredzens: A concern for the longer-term. When we go back a little bit, here a lot of these ordinances and a lot of the the work that was done to try to block certain developments and that happened before 2008. With the 2008 financial crisis, that put a monkey wrench into a lot of the developments that might have taken place or the attempt to develop the area. And that was a big concern as to try to slow that down not to have it go out of control. Concern with the, there again, if things pick up economy-wise, such that developers would look at investing in our area. One of the drivers incidentally for that was the sewer system. That brought the attention of developers to develop various kinds of things in our area. And the idea was to try to slow that down somewhat. Well it happened naturally because of the financial crisis then. But it's still a concern in the longer-term you know. Not only from the current residence in our area, but also future residents. What's going to happen to this area? Are we going to put gas stations and grocery stores in there? Are we going to do, you know, add a bunch more resorts in the area? All those are concerns that I think probably most residents in our

area have some thoughts or some concerns about. That's a longer, that's the longer picture over in time what's going to happen here? And so anyways that's it.

Hull: Okay

Julia Jeager: Also the question is, we are talking five acres for a commercial resort. What if they're not five acres?

Hull: Then we're back to the grandfathered rules. That's a whole nother issue that isn't directly jermaine to this. So. Do you have anything you wanted to? give you the opportunity as the sewer operator.

Mike Hoops: I've been a resident of this area for 25 years including the time when this was, the district was created, the ordinance was put into place. I served from 2001 to 2019 on the board. I'm on the Planning Commission for Lake County. I'm on the Board of Adjustment for Lake County. And I guess I've been involved as much as anybody with the struggles that we've had working with this ordinance. Four different clerks I think during that time period that I've worked with. And trying to make this work. And you know everybody's been concerned about this unbridled growth. That was what drove this ordinance to begin with. There was going to be a house on every acre. So, part of it was creating the two-acre lot size. Which has since been adopted by the North Shore management board and now is the rule up and down the North Shore in the residential area. And that's the thing to remember, if it's residential area. if it's zoned Residential they're not going to be able to come in and put in resorts. I mean they can't do it. So and no matter what it is, it still has to go through the Planning and Zoning process. And it just keeps getting tighter and tighter. The office keeps getting better and better. We've seen a lot of changes over the last 25 years in that office. Right now, there's two to three more homes within that area then what were there when we built the sewer system. You know, and we planned the minimum was 20 homes were going to be built and in 20 years. There was, expansion was figured at one home per year in that area. And now after 20 years were two to three homes more. I recounted them about three years ago and we only had one. Because of teardowns, property standing vacant that had been originally connected. So that's where we're at. Like I said we're at about 60% of capacity on the sewer during the summer months. Much less than that on the winter months. I think it's a great move to move this to Environmental Services Planning and Zoning. Those people have had the experience, expertise, training to be able to do this and take the onus off the Town Board and Clerk who is an elected position. She's voted out, you end up with a new clerk who knows absolutely nothing the day they walk in. It becomes carte blanche when that happens. So that's my position.

Hull: Jane

Jane Wick: if we live along the shore of Castle Danger is. Alright do we want progress in terms of people passing through and having a place to stay and buy gas or do we want cabin cabin cabin house house house? What does that mean for progress?

Hull: Well that's a good question. My personal preference would be that it would be a sawmill on every lot. Those are the questions. I guess all I can say to that is the population in the state of Minnesota grows by hundreds of thousands of people every year. We can't stop that. Now yes, the bulk of those people come to Minneapolis. But we get our share up here. This growth and development is something everybody struggles with but it's a reality that we have to manage. We can't stop it. What does progress look

like? I don't know. I can't answer that. But as I've listened to what's said, if I'm getting the summery here, if I get everybody's, I think I've got everything. Is that one: the concern of people is that development issues. Both short-term and long-term. What's going to happen as far as development goes short-term and also for the next fifty to a hundred years. Long after we're gone. Those things include like how much density is going to be allowed, what kind of building, lighting, signage, types of businesses that will be presented. That seems to be, if I could summarize a number of you with comments. Second issue is more in the short-term, is the short-term rentals and the impact on existing mom and pop resorts which we have a number of in this district. And along with that the enforcement on the short-term rentals. Are people doing it under the radar? Do we have, is there a means by which some of that can be identified and addressed? The unknown kind of element at the moment will be which of the two potential maps will be the one that will actually take place if change occurs. And which if those will it go back to the original or will we go back to an updated modified. That's a decision that the County will have to address. Did I miss anything? Are those the issues? Did anybody's issue get missed?

Oftedahl: This isn't a missed issue, but can I read off the people that called?

Hull: Oh well have we got any more comments or questions? Okay so we've had a number of calls and at least one letter. So yes, if you would.

Oftedahl: It's actually not too many. Dwight Lind with Castle Haven called in. He was in favor of the repeal based upon his experience on the Town Board, that of giving Lake County the zoning. He said, "we should have done this a long time ago". At the same time, he had questions about the expansion of Resort Commercial that I couldn't necessarily answer. I said that's kind of in Lake County's court. And he just wanted to know, I think, kind of where you guys are, what might be the impact on Castle Haven. Tom stopped, by but he spoke here. LeRoger Lind stopped by and he wrote regarding the ordinance change allowing short-term rentals in residential areas. I continue to be opposed to this zoning change allowing this practice in the Castle Danger area. This would radically change the nature of residential living and increase the price of residencies and affect families negatively. Not all zones are appropriate for tourism of this nature. LeRoger Lind

That's all.

Hoops: Mr. Chair? One more thing before we wrap it up as far as the VRBO s how many do we have in Lake County? Permitted?

McCarthy: Peritted we have about 52.

Hoops: 52 that includes inland, on the lakes, people just out in the woods. It doesn't, not just 52 along the shore in Lake County. So, extrapolate that out for this small area. What, we're maybe going to get three. Something like that in the area? Now they still have to be permitted.

???: I would say that there are far more though that aren't registered.

Hull: One person at a time.

Hoops: Within the district, I, on a regular basis, go on VRBO, Airbnb and look for those and have for years. Just to see. I just felt it was my job as a Board member and Operator

to be doing that. I had done it for Lake County. And I don't see them. I mean. It's a whole different thing if your friend comes up and you leave a can on the table and say help me out with my taxes or something like that or your advertising through Airbnb or VRBO. So that's how I look at it. There's always going to be somebody that's trying to cheat the system, but they do get caught. And I know Christine's office, they look on the internet also for these so.

McCarthy: And I also want to add that it's a constant challenge to identify them and enforce. We are open to, we take calls from people from neighbors who are concerned and complaining and we look into it. So, we do the best we can with a staff we have. I do acknowledge there's those out there. But once they come to our attention we really do enforce.

Kleive: And you don't just enforce VRBOs and short term rentals but you enforce all of the ordinance issues that are brought up to your office. Lots of things are done that aren't following your rules and they get enforced also, after the fact sometimes.

Huddleston: I just one more thing on vacation rentals. There has been a lot of talk about that on the County level and even with the cities and the HRA Housing Redevelopment Authority. And currently the HRA hired a person and they're looking at trying to find how many are in the county. Doing a real thorough analysis that will trickle back to Planning and Zoning. And as we look at lodging tax and continue to talk about vacation rentals. I think our neighbor in Cook County also is hiring a consultant to help them keep up on vacation rentals and the licensing process. And I see us having conversations on that and trying to really get a handle on how many is it. Is it 70? Is it a hundred? And get those wrapped into the licensing and paying the appropriate taxes and whatever ultimately the state says their classification should be for taxes. And to the land use ordinance I just mentioned land use regulations and enforcement isn't just about how many permits you get. That is the easy part of it. It's dealing with the enforcement when things are going wrong. That's always a challenge whether you're in a county with permanent staff. Land Use regulation is the hardest part of being in a Land Use office. I can say that from doing it for over 20 years.

David Gredzens: One last thing. And it just applies to people who like ourselves that are on the shoreline. As you well know since last October, combination of the lake level being at almost record heights and the amount of rainfall and the size of the storms. Boy, I mean from Duluth to where we are, I have never seen anything like it. We've lost, I would say at least 8 ft in depth of our shoreline and because we have a lot of clay on the embankment, and not just us but a bunch of different residents and several bays. It's had a major impact in terms of a there again the vegetation lines and all that kind of sort of thing. It's a minor point but it has a big impact on all of us that live on the Lake itself. And I don't see the Lake level dropping in in my lifetime very much because it's just the way things are. And everything is constantly changing. But we've had to cut down lots of trees that have fallen and so have a lot of other people. And it does have an impact on the Lakeshore. It's been more obvious than it ever has. we've been here for 24 years and I've never seen anything like it.

Hull: Okay

Brian Wick: As far as if there's question as to permit use. What we would need a permit for, or if we had some projects or something that we wanted to. Outside of all the vacation home, say there's some home improvement thing, some property things, things

like that that we're not sure or that, some guidelines that people are looking at things. Are those readily available in hard copy for people to get. Is it accessible on the website to look up and find all the information we need on it?

Kleive: Yes. All on Lake County's web site.

Brian Wick: Well I'm just wondering because you know. How about hard copies?

Hull: Well I've never had trouble going into the County, saying can I have a copy and

Kleive: There is a file folder right on your counter there with hard copies in it.

McCarthy: Not only that but I highly encourage you just to give us a call. Sometimes it's really hard to navigate, you know. That's a three-ring binder over there, it's not completely full but even I got to look. but I'd never hesitate to give our staff a call because they're going to give you an answer.

Brian Wick

: I've navigated on the web so I'm fine finding answers but Mom doesn't have internet and she might have a question.

McCarthy: Oh sure. And we'd be more than happy to mail her whatever she needs.

Hull: Stop by her house the baked goodies are pretty good there. All right well the board will consider these issues for, that have been raised as to what the best course of action is moving ahead and how they can be addressed. We'll continue our conversation with the County. Our regular meeting next Tuesday night we will take up this discussion and continue. So obviously all of our meetings are public meetings, posted. You can come and listen to what we have to say. So, with that, I will entertain a motion that we adjourn the meeting.

Moen: I'll second

Hull: Are you entertaining it? No, are you making the motion?

Moen: I thought you'd made the motion.

Hull: No. I said I'd entertain the motion.

Moen: I will make the motion to adjourn.

Voss: I'll second.

Hull: Chuck seconds, I support. We stand adjourned. 11:07a.m.

Respectfully submitted

Deputy Clerk, Laura Kleive