

AGENDA
CITY OF CROSBY PLANNING AND ZONING COMMISSION

City Hall Council Chambers
February 21, 2023 at 6:00 PM

1. Call to Order
2. Roll Call
3. Additions or Deletions to Agenda
4. Open Forum
5. Approval of Minutes
 - A. January 17, 2023, Regular Meeting
6. New Business
 - A. Review of PC Member Ordinance Concerns
7. Public Hearing(s)
 - A. Ordinance Amendment 23-2 to consider adopting Crow Wing County's Short Term Rental Ordinance
Owner/Applicant: City of Crosby
8. Old Business
9. Staff Report/Upcoming Applications
10. Commissioner's Questions/Comments
11. Adjourn

This agenda is not exclusive and other business may be discussed as deemed necessary

For those requiring special assistance, please contact Crosby City Hall at (218) 546-5021

Pursuant to due call and notice thereof, the Regular Meeting of the Planning and Zoning Commission was held on Tuesday, January 2023, at 6:00 P.M.

Members Present: Commissioners Peterson, Wynn, Carry, and Patrick; Brittany Cotner, Sourcewell; Matthew Hill, Administrator Clerk Treasurer; Samantha Wodarz, Utility Billing Clerk

Members Absent:

1. Call Regular Meeting to Order

Chairperson Carry called the meeting to order at 6:00 P.M.

2. Pledge of Allegiance

Chairperson Carry led with the Pledge of Allegiance.

3. Additions or Deletions to the Agenda

MOTION BY COMMISSIONER WYNN AND SECONDED BY COMMISSIONER PETERSON TO APPROVE OF THE AGENDA AS IS. VOICE VOTE: THOSE VOTING AYE: COMMISSIONERS, CARRY, WYNN, PETERSON, AND PATRICK. THOSE VOTING NAY: NONE. MOTION CARRIED.

4. Open Forum

No open forum

5. Approval of Minutes

A. December 17, 2023, Regular Meeting

MOTION BY COMMISSIONER PETERSON AND SECONDED BY COMMISSIONER CARRY TO APPROVE THE MINUTES. VOICE VOTE: THOSE VOTING AYE: COMMISSIONERS, CARRY, WYNN, PETERSON, AND PATRICK. THOSE VOTING NAY: NONE. MOTION CARRIED.

6. New Business

A. Short Term Rentals Discussion

Brittany Cotner stated that short term rentals licensing policy/program has been going through Crow Wing County, they took feedback from the Cities through the course of last year to consider modifications. They are now giving the cities the option to opt in or out of the program.

The planning commission has 3 options:

- 1) Keep with program and sign a contract with Crow Wing County where they will handle the licensing and the enforcement. There would be no cost to the city, and they operate off the applications fees.
- 2) City could start their own licensing program. We would have to write an ordinance and adopt that licensing program; that would be a quite a bit of a cost to the city.
- 3) Allow short term rentals as a permitted use, with no regulations.

Commissioner Wynn would like to scratch 3.

Chairperson Carry stated that he talked to Commissioner Houge, who explained it to him that the county used to follow Public Health which had a broad ordinance that fit every with in the area, but they changed it to land use only so cities and townships can come up with their own plan. The positive side, if we go with the county they have invested in the software, so they can track all the properties in the county, they can track down and make sure all properties are licensed, and they got staff in place to monitor. The county also has a 1-800 number so a neighbor or anyone who has a complaint, such as a noise complaint, can go out snap it with their phones and send it to the number, in turn the complaint will automatically get investigated; there needs to be more advertisement and public awareness. The county has not figured out a fee schedule for when or if they will start charging us, currently there is not one. Inspecting and the licensing seem like a good idea for right now, to let the county handle it.

Commissioner Patrick agrees and states it makes sense for the county to go from public health to land use just so that cities have a little bit more control of their areas; we are going to have different issues than our neighboring cities. He also has a background in software and would like to look at any software the city might want to use if they want to go the route of doing their own licensing. He likes the idea of having a city lodging tax or any tax idea.

Carry also added that the county has a 3-strike rule, 3 complaints that are investigated and found to be viable, and license is revoked, and it stays with the property; let them take care of the enforcement.

Commissioner Peterson quested what is our commitment as far as the length of time of the contract. Brittany stated it is an at will program and if a year from now the city feels it is not meeting their needs, they could end the contract at the time. Currently there is no cost, as permitting cost covers the county costs.

Danette Holznagel owns an Airbnb in town, stated the fees from the county are approximately 100 per a bedroom per year. She has also decided to go through Minnesota Department of Health licensing process, she also has the county license, but only gets charged for one. Danette also added that the license is not transferable upon sale, and the annual renewal is done online.

Brittany stated that if they would like to go with Crow Wing County, we would have to adopt their code, as our code.

Administrator Hill stated that they should give some direction to the Council of where the committee would like to take this. He also addressed the committee that the ordinance is on the Crow Wing County website, and we would draft that under ours verbatim. He also has a draft agreement from Crow Wing County with no fees for 2023. Any adjustments to that would have to go through the council. There is ongoing negotiation about enforcement of the ordinance.

Brittany talked to Tim Houle and if there is going to be a cost to the city, they would let us know July of the budgeting year.

Discussion on what is considered an Airbnb and what is not, commercial vs non-commercial, and tax options.

MOTION BY COMMISSIONER PATRICK AND SECONDED BY COMMISSIONER PETERSON TO RECOMMEND TO THE COUNCIL TO APPROVE THE COUNTY ORDINANCE AND TO MOVE FORWARD WITH NEGOTIATING WITH THE COUNTY ON THE CONTACT GOING FORWARD WITH CONSIDERATION TO POTENTIAL TAXES BE INVESTIGATED. VOICE VOTE: THOSE VOTING AYE: COMMISSIONERS, CARRY, WYNN, PETERSON, AND PATRICK. THOSE VOTING NAY: NONE. MOTION CARRIED.

B. Membership and Terms Update

Brittany supplied the members with current terms and expiration. Brad Smith has applied for the nonresident position, which will go before the council at the next meeting along with the re-appointments of Peterson and Patrick.

7. Public Hearing

MOTION BY COMMISSIONER WYNN AND SECONDED BY COMMISSIONER PETERSON TO OPEN THE PUBLIC HEARING. A ROLL CALL VOTE: ALL VOTED AYE. MOTION CARRIED

A. Ordinance Amendment 23-1 to consider amending the **Lot Size and Dimensions Standards Chart** Owner/Applicant: City of Crosby

Brittany stated this was changing the rear setback in residential areas from 20 feet to 10 foot to match with the garage ordinance. This will make all structures have a 10 feet setback. This will also give the ability for smaller lots to build a home.

MOTION BY COMMISSIONER PETERSON AND SECONDED BY COMMISSIONER WYNN TO MAKE RECOMMENDATION TO THE COUNCIL

TO GO DOWN TO 10 FEET FOR ALL STRUCTURES REGARDLESS OF STRUCTURE TYPE FOR THE BACK/REAR OFFSET. A ROLL CALL VOTE: ALL VOTED AYE. MOTION CARRIED.

MOTION BY COMMISSIONER WYNN AND SECONDED BY COMMISSIONER PATRICK TO CLOSE THE PUBLIC HEARING. A ROLL CALL VOTE: ALL VOTED AYE. MOTION CARRIED.

8. Old Business

9. Staff Report/Upcoming Applications

Brittany is seeing a little bit of a pickup coming off the holiday season. For the February meeting there will be the public hearing, and she is adding to the agenda consideration for meeting time change.

Administrator Hill added that he got the final building permit count for 2022 and believes it was at 166 which is just within a couple of 2021. He added that a lot of these are going towards improvements for Airbnb's and individuals that are investing and improving their properties for business entities. From a law enforcement perspective, a lot of the problem houses have been cleaned up and remodeled; they have good tenants even though they are short term rentals.

10. Commissioners' Questions/Comments

11. Adjournment

MOTION BY COMMISSIONER PATRICK AND SECONDED BY COMMISSIONER PETERSON TO ADJOURN AT 6:42 P.M. A VOICE VOTE: THOSE VOTING AYE: COMMISSIONERS CARRY, WYNN, AND PETERSON. MOTION CARRIED

Adam Carry, Chairperson

Samantha Wodarz, Utility Billing Clerk

CITY OF CROSBY
NOTICE OF PUBLIC HEARINGS

TO WHOM IT MAY CONCERN: Notice is hereby given the City of Crosby Planning Commission will convene for their regularly scheduled meeting on Tuesday February 21, 2023, at 6:00 p.m. at City Hall, 2 Second St SW, Crosby, MN to conduct the following public hearing(s):

Ordinance amendment application 23-2 to consider adopting Crow Wing County's Short Term Rental Ordinance as section 154.016 of the city code. Owner/Applicant: City of Crosby

The proposed modifications can be sent by request and are available at city hall. All interested persons are invited to attend this hearing and be heard or send written comments to city hall or via email at planning@cityofcrosby.com. A staff report will be available at city hall typically one week before the scheduled meeting.

Brittney Cotner, Zoning Administrator
City of Crosby

Crow Wing County Short-Term Rental Licensing Ordinance

Approved 1/3/2023

PURPOSE, SCOPE, & OBJECTIVES

1.1 Purpose.

It is the purpose and intent of this Ordinance to regulate short-term rentals within Crow Wing County. To continue the allowed use of short term rental units, but also mitigate possible adverse impacts to the health, safety, welfare, and quality of life of surrounding properties, as well as water and environmental quality, through the establishment of a licensing program for the review and approval of short term rental unit operations.

1.2 Scope

Pursuant to Minnesota Statutes Chapter 375.51 - 375.55 and Minnesota Rules Chapters 7080 -7083 in their entirety except as referenced under Article 37.18 of the Crow Wing County Land Use Ordinance and as otherwise expressly modified by the Land Use Ordinance, are hereby adopted by Crow Wing County by reference.

1.3 Objectives.

- To provide and enforce standards for the maintenance of short-term rentals.
- To provide local governance to promote health, safety, and wellness to Crow Wing County citizens and patrons of short-term rentals.

1.4 Enforcement

- Any violations of this ordinance may result in enforcement as noted under Section 6.

DEFINITIONS AND GENERAL PROVISIONS

2.1 **Definitions.** Unless specifically defined below, words or phrases used in this Ordinance shall be interpreted to give them the same meaning they have in common usage and to give this Ordinance its most reasonable application.

- “(Owner)” means the property owner of record of the real estate located in Crow Wing County.
- “(Owners Authorized Agent)” means a person who has written designation to act on behalf of the owner.
- “(Parcel)” means a unit of real property that has been given a parcel identification number maintained by the County.
- “(Short Term Rental Unit)” means any home, cabin, condominium or similar building that is advertised as, or held out to be, a place where sleeping quarters are furnished to the public on a nightly, weekly, or for less than a 30-day time period and is not a bed and breakfast, resort, hotel or motel.
- “(SSTS)” means “Subsurface sewage treatment system” is either an individual subsurface sewage treatment system as defined in subpart 41 of rule 7080.1100 or a mid-sized subsurface sewage treatment as defined in subpart 4 of rule 7081.0020, as applicable.
- “(Bedroom)” means, an area that is (A)-a room designed or used for sleeping; or (B)-a room or area of a dwelling that has a minimum floor area of 70 square feet with access gained from the living area or living area hallway. Architectural features that affect the use as a bedroom under this item may be considered in making the bedroom determination.

- 2.2 **Severability.** If any section, clause, provision, or portion of this Ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby.

ANNUAL LICENSE REQUIRED

- 3.1 No Short-Term Rental may be operated without a valid Short-Term Rental license issued pursuant to this Ordinance.
- 3.2 All new Short-Term Rental operations as of the enactment date of this Ordinance shall obtain a license from the County prior to commencing operations.
- 3.3 A separate Short-Term Rental license is required for each unit on a parcel that has Short-Term Rental operations conducted in it.
- 3.4 All Short-Term Rental licenses are an annual license and must be renewed each year. License renewal applications for rental operations in the following year must be submitted prior to any rental activity. Licenses are valid from January 1 – December 31 each year.
- 3.5 The Owner or Owners Authorized Agent shall permit access to the property and all permitted units at any reasonable time for the purpose of inspection upon request of Crow Wing County.

LICENSE APPLICATION REQUIREMENTS

- 4.1 **Application Requirements.** The following information shall be provided to the County on the Short-Term Rental license application:
- (a) The full name (First, Middle, Last), Date of Birth, mailing address, email address and telephone number of the owner of the Short-Term Rental home for which the license is to be issued. If the property is owned by a business or corporation, the CEO or Designee is responsible for obtaining the license in their name.
 - (b) Physical address and parcel identification number.
 - (c) The name, address, telephone number and email address of the Owner's Authorized agent for the Short-Term Rental who is available 24 hours a day.
 - (d) All other information that is requested on the Short-Term Rental License Application.
 - (e) No application for initial or renewal license will be accepted if there are past due property taxes on the property described in the license application.
 - (f) No license will be issued if there are pending permits and/or open enforcements related to the property.
 - (g) No license will be issued if the property has three substantiated violations prior to application for a license.
- 4.2 **Application Process.** Applications for Short-Term rental operation licenses may be filled out online at www.crowwing.us.
- (a) Once the application is received along with the supplemental information and payment of

fee, Crow Wing County will issue or deny the license in accordance with the timelines established under Minnesota Statute 15.99, (60 days) during which time the County may contact the Owner or Owner's Authorized Agent for additional information. If the permit is denied, a letter will accompany the denial explaining the reasons for the denial, and the Owner or Owner's Authorized Agent may reapply once the conditions surrounding the application denial are corrected.

GENERAL REQUIREMENTS

5.1 Septic/Solid Waste

- (a) The short-term rental must be connected to an approved SSTS or served by central sanitary sewer system.
- (b) A valid Certificate of Compliance, which is a certificate that was issued on a new septic system installed within the past 5 years OR a copy of a compliance inspection form which was performed within the past 3 years. Holding tanks are not allowed for rental units.
- (c) At least once every three (3) years thereafter the Owner or Owner's Authorized Agent shall provide an updated certificate of septic testing showing that the system is compliant for the number of bedrooms indicated in the application.
- (d) Disposal of solid waste must comply with Crow Wing County Solid Waste Ordinance, or its successor or replacement.
- (e) Garbage, refuse, or recycling shall be stored completely enclosed within designated refuse containers. The owner or operator of the rental unit shall provide sufficient trash storage containers and service to accommodate the demand of the occupants.

5.2 Occupancy

- (a) The overnight occupancy of a short-term rental shall be limited to no more than three (3) people per bedroom plus one (1) additional persons per unit.
- (b) Use of recreational vehicles, tents, RV's, accessory structures or fish houses to obtain additional occupancy is prohibited.
- (c) Licensee shall not advertise the property as containing any more than the number of bedrooms identified on the license.
- (d) Licensee shall not advertise the property as available to more guests than the occupancy limit identified on the license.
- (e) No more than two Vacation Rental licenses will be issued per parcel

5.3 Noise

- (a) Quiet hours are between the hours of 10 pm to 7 am, Sunday through Thursday; and 12 am to 7 am, Friday and Saturday. The owner of the short-term rental is expected to enforce this rule. Failure to do so may result in enforcement action as provided in section 6.

5.4 Parking

- (a) Parking cannot restrict access by emergency vehicles or the traveling public and shall not impede any ingress or egress of property owner. In addition, parking cannot encroach neighboring properties.

5.5 Property Contact Information.

- (a) The Owner or the Owner's Authorized Agent shall keep on file, with the county, and shall notify each renter, in writing, of the contact information for the Owner or Owner's Authorized Agent who shall be available 24 hours a day, seven (7) days a week, whenever the property is being rented for short-term rental purposes. The Owner or the Owner's Authorized Agent shall respond to any issue or complaint raised within one (1) hour of any such point of contact being notified of the issue or complaint. Property contact information shall be accessible to the public 24/7 on the Crow Wing County Website.

5.6 License Fees.

- (a) License fees will be established by the Crow Wing County Board of Commissioners and published in the County Fee Schedule.

5.7 License Transfer.

- (a) The short-term rental license shall not be transferrable upon any change in ownership of the licensed property, or otherwise.

ENFORCEMENT

- 6.1 **Enforcement.** Crow Wing County will investigate all complaints and alleged violations of this Ordinance. Crow Wing County will follow up with all Owners or Owner's Authorized Agents and Complainants within a reasonable period of time. The Owner or Owner's Authorized Agent shall address any substantiated complaints/violations as directed by Crow Wing County. All substantiated complaints/violations not resolved as directed will result in enforcement action as provided in 6.4.
- 6.2 If three (3) substantiated complaints/violations have occurred at a Short-Term Rental Unit within one year, then the license may be subject to revocation as determined by Crow Wing County.
- 6.3 The intentional false reporting of a violation of this ordinance shall be considered a violation of this ordinance. The penalty for intentional false reporting of a violation will be \$100.00 for a first offense, \$150.00 for a second offense, and \$1,000.00 for a third or subsequent offense.
- 6.4 Any Owner or Owner's Authorized Agent who fails to comply with a directive of Crow Wing County as provided in section 6.1: or who violate, disobey, omit, neglect, refuse to comply with, or who resist enforcement of any of the provisions of this Ordinance may be subject to Misdemeanor prosecution, forfeiture of their license, or both.
- 6.5 Any license revoked under this section will not be reissued for a period of 1 year from the date of revocation.

APPEALS

- 7.1 **Administrative Appeal.** Appeals from any order, requirement, decision or determination made by Crow Wing County shall be first made to the County Administrator.
- 7.2 Appeals of the decision of the County Administrator shall be brought in the District Court

of Crow Wing County.