

**BOARD OF ADJUSTMENT/PLANNING COMMISSION
CITY OF LAKE SHORE
CITY HALL
MINUTES
AUGUST 10, 2015
9:00 AM**

Chairman John Ingleman called the meeting to order at 9:00 a.m. Members of the Commission present: John Ingleman, Roger Smeby, Kevin Egan, Tom Diemert and Glen Gustafson; Council Liaison Earl North; City Engineer Mark Hallan; City Zoning Administrator Teri Hastings and City Clerk Patti McDonald. Alternate Wayne Anderson was available in the audience. Alternate Pat Hastings was absent. There were 12 people in the audience. A quorum was present and the Commission was competent to conduct business.

Approval of the June 8, 2015 Regular Meeting Minutes – MOTION BY KEVIN EGAN TO APPROVE THE MINUTES FOR JUNE 8, 2015 BOARD OF ADJUSTMENT/PLANNING COMMISSION AS PRESENTED. ROGER SMEBY SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

PUBLIC HEARING – There were no public hearing items.

NEW BUSINESS –

Site Plan Review – Rebound Lodge/Lost Lake Lodge – This is a site plan review and there will be no formal action taken on this item. Teri's staff report indicated the following: The applicant is seeking a site plan review for the redevelopment of Lost Lake Resort. New density calculations have been provided for the redevelopment of the lodge. The resort would be expanded and the resort units would be owned with the ability to rent units through a designated management company. This process would be considered A Common Interest Community (A CIC Plat) similar to the process with Lake Shore Village. The Planning Commission will need to determine what is the maximum amount of time a unit owner can reside in the unit (42 days, 6 months etc). The applicant is proposing 75 days from May 1 to October 1. This is addressed in Common Interest Community 86-DECLARATION.

The applicant has submitted revised plans which include the following:

- New density calculations
- New unit layout based on revised density calculations
- Significant trees identified along with wooded areas
- New dock configuration
- Revised septic plans (Mark H to review)
- Revised/corrected covenants and home owners assoc. documents
- Revised drainage and grading plans
- Comments have been received from Darrin Hoverson, DNR and he has conducted a site review of the property on July 2nd.
- Revised variance for the point cabin along with photos to demonstrate that foundation is adequate for a second story.

Tom Steffens, Lake Shore Properties, Brett Reese and Jennifer Sawyer Rebound Lodge and Lost Lake Lodge and Cindy Hidde, Stonemark. Brett thanked the Commission for the opportunity to provide feedback so they can come before the Commission with a complete application in September. He said that Lost Lake Lodge is proposing to go from 14 cabins to 20 cabins and changing to owner occupied cabins while remaining a resort. Tom Steffens gave a summary of all the proposed buildings and their plan for the resort. They are removing cabins 1, 2, 3 and 4 to

replace them with twin homes. They have remodeled a couple cabins so far to include a kitchen. He said the resort has been all inclusive and guests would like the opportunity to cook on their own rather than relying on the restaurant. He went over the changes they have made on the plan since the last time they were before the Commission. Tom explained that what they are asking for is not offensive; he said the resort is probably the least visible resort on the lake in the area. They have worked with Darrin Hoverson, MN DNR, for input on the proposed dock system. They will not allow any lifts on the docks.

Tom said one concern is owner usage of the resort. He said they have talked as owners and are proposing 51% usage with few exceptions (during off peak time). Kevin Egan commented that the owner restrictions in the area are 42 days. Tom said they are proposing 51% which is the same as Cass County.

Tom addressed Mark Hallans comments regarding the sewer and confirmed the projected future wastewater flow will not exceed 10,000 gpd.

John Ingleman asked if the stakes represent the cabins or decks. Cindy Hidde said it is the cabins and the deck will go out 10 feet.

Teri Hastings asked if resort guests are repeats. Brett said they are repeats and currently they stay for 3 days to a week. She asked if they will market to the repeat customers. Brett said they will. Tom Steffens said it is important to the owner to allow as many days as possible. The resort ordinance has restrictions on homesteading and year round occupancy. Kevin Egan asked if the project is economically viable with the 42 day restrictions. Tom Steffens said that would have to be proved, but with his other resorts he said it has been difficult to market the sale. Roger asked if they are looking for full control of usage. Tom Steffens said they would like the ability to provide exceptions to the use.

Earl North said as a City Council member he needs more than an 'I don't know' if the 42 day limit will be a viable economic plan before they make a decision. Tom Steffens said the reason this is proposed is in the past few years the resort hasn't been successful. He said to answer the question, he could make it work, and it's just not as marketable. Brett Reese said the cabins are currently owned by the resort, what they are looking for is to make them marketable. He said 75 days would be the best scenario to move forward. Kevin said what he hears is that the project may not move forward with the 42 day restriction. Glen asked the purpose of the 42 day restrictions. Teri said the resort ordinance promotes and encourages the transient population and the ordinance was created to allow more density for the resorts to keep the viable. Teri said the ordinance doesn't specify a time frame; the Commission needs to make the decision for usage. John Ingleman said he feels the resort industry is changing; if this is the new model he suggests careful consideration on restrictions for balancing the use of resorts or selling them off for residential use. Tom Diemert asked if they are proposing to sell all 20 units. Yes, they are planning to sell all units and the addition of more units will also generate more business. Brett said they are trying to market to everyone, offer all inclusive and allow units with cooking facilities too. They have paired with 3 Cheers Hospitality to take over the kitchen and the restaurant is also open to the public. Glen thinks that 42 days is too restrictive and feels 60 days is a fair offer for usage. Brett said they are taking the route of trying to keep it a resort rather than sell it off as separate units. Teri said the prime season is 153 days and said they have proposed 75 days from May 1st to October 1st.

Teri asked what they are marketing right now. Tom explained that they are marketing with the potential outcome of the City's decision; there are no signed contracts. Brett asked what the owner's habits are of the resort that Tom already has running. Tom said there are some owners that don't even stay there. They see some of the owners during peak time for a couple weeks. He

said the buyers like the resort managed concept. Teri said that she has heard from the real estate prospective that the desire of the buyers has changed and they aren't looking to spend the summer at the cabin.

Teri said that with the numbers on paper the project works. She has a concern after she visited the staked site; she thinks that cabin one is too close to the lodge and suggested that it be scaled down to a single unit. She has a concern with unit 14 too. Mark Hallan said the items he had concerns with from the last meeting were addressed. He asked if there has been a proposed location for a new well. Cindy said it's shown on the plan. He suggested that the erosion on the driveway easement should be addressed.

A letter dated August 6, 2015 was addressed and provided/delivered to the Planning Commission the City Engineer and the applicants from Tim Moore, 7837 Lost Lake Trail, and entered into the file/record. Teri read one letter of concern with the use of density into the record from John W. Pierron, 8089 Ridge Road. Teri noted that this is not a public hearing.

Roger Beaubien (Lost Lake Trail) asked if the Commission has any discretion in reviewing, modifying or rescinding past variances granted to Lost Lake Lodge in light of this major redevelopment of the resort. Can the whole thing be looked at again? He is concerned about the development along the shoreline. Teri said the units are grandfathered in and the application is coming in under an existing resort; however, there could certainly be negotiations made. Roger is concerned with the 40% increase in development on the lake.

Doug Dypwik (Lost Lake Trail) is concerned about parking for the resort and guest dining at the restaurant. They are proposing 80 parking stalls. Teri read what the city ordinance requires and by these calculations they should have 62 parking stalls.

Earl said if the final preliminary plat comes out of this committee with many items to be revisited it will make approval through the City Council difficult with a new body hearing the proposal.

Teri's commented that the density numbers appear to be in order. The handicapped parking should be marked. She asked Tom to provide larger prints. If the Commission has any further concerns they should be share them now.

Tom Diemert and Roger Smeby are concerned with putting a second story on the furthest south cabin. There were no new concerns. Earl commented if they are concise with their bullet points the questions for their preliminary plat should be limited. He also suggested keeping in contact with Teri.

Cindy Hidde said typically she shows current conditions as shaded and asked if she should change something. Teri suggested leaving it as is and it is duly noted. Mark Hallan asked if they could export from auto cad to PDF so when he receives his copy he can enlarge them.

Sign Ordinance – There has been a request to install a digital lighted sign that blinks, but an ordinance change would be needed to allow such a sign. At this point Teri is looking for feedback from the Planning Commission on making a change to the ordinance to allow this type of signage. Formal action is not requested, just feedback at this time.

Teri included the sign ordinance for review. Lake Shore ordinance states 'all flashing, revolving and intermittently lighted signs re prohibited. Externally lighted signs shall be shielded to prevent glare to adjoining roadway.' Earl asked what the requester's options are if the commission chooses not to recommend a change to the ordinance. Teri said they didn't ask for

options. She will let them know with much discussion the commission chose not to change the ordinance.

OLD BUSINESS

Tree Removal – Ridge Road – Last April, the Planning Commission reviewed the matter of the vegetation removal across from the Stone Ridge Townhomes. Teri received a letter on behalf of the Stone Ridge Association which states the association did not authorize such work to be done. As such, we did hear that Todd Friesen was the association member responsible for contracting the tree/brush removal. The Planning Commission should take action with Mr. Friesen.

In addition, ownership of the property where the tree/removal was done is the USA. Teri checked with the Corps of Engineers and they did give up ownership and have retained a flowage easement. Without spending additional money on determining the correct agency, the city can still act on the violation.

Earl commented that the response from Mr. Friesen looks like a complete fabrication from the facts and do not represent what happened before this commission at the April meeting. Does the city fine the association or Mr. Friesen? If the clearing was in front of Mr. Friesen's unit we can fine him as an individual.

There was discussion as to fining or not fining the association and the commission didn't think it was done by the association.

MOTION BY KEVIN EGAN TO FINE TODD FRIESEN \$5,000.00 FOR VIOLATING LAKE SHORE CITY CODE BY REMOVING VEGETATION ACROSS FROM STONE RIDGE TOWNHOMES. TOM DIEMERT SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

REPORTS

City Engineer – Mark Hallan had no further comments.

Chairman – John Ingleman has nothing to report.

Council Liaison – Earl North had nothing to report.

Zoning Administrator – Teri Hastings had nothing to report.

PUBLIC FORUM – Eileen Thom (across from city hall) has a concern with the new septic system that the neighbors put in. She thought they removed too many (24) trees. She said there is runoff of the gravel from the construction onto her property. Teri said she did the sewer inspection on Thursday afternoon and the tanks aren't sticking out of the ground. She will have the zoning inspector make sure that the drainage/erosion is kept on their property. Eileen just wants to make sure that the city is being watchful of the project.

Tom Diemert suggested the Commission read an article from the Sunday, August 9, 2015 Brainerd Daily Dispatch regarding lake health.

MOTION BY GLEN GUSTAFSON TO ADJOURN THE BOARD OF ADJUSTMENT/PLANNING COMMISSION MEETING OF AUGUST 10, 2015 @ 11:13 AM. SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Transcribed by Patti McDonald
Lake Shore City Clerk

