

***CITY OF GRAND MARAIS***  
***MINUTES***  
***March 14, 2012***

Mayor Carlson called the meeting to order at 4:30 p.m.

Members present: Larry Carlson, Jan Sivertson, Tim Kennedy, Bob Spry and Bill Lenz

Members absent: None

Staff present: Mike Roth, Kim Dunsmoor and Chris Hood by telephone

Mayor Carlson invited the public to speak during a period of open forum. Open Forum is limited to one half-hour. No person may speak more than 5 minutes or more than once. No one spoke.

**Motion by Spry, seconded by Lenz to approve the Agenda; February 29, 2012, Minutes; and Payment of Bills. Approved unanimously.**

Dick Swanson and David Parsons addressed the council requesting approval of the second request for rezoning and requesting withdrawal of the original requests for rezoning, preliminary plat and conditional use permit if the second rezoning request is approved. David and Tara Parsons are requesting a zoning map amendment to extend the C/I Commercial Industrial zoning 66' further to the south into property currently zoned R-1 Permanent Residential. This request is made to extend the commercial zoning to encompass cabins that are used as part of their motel development. The cabins were installed before the property's zoning was established. The Planning Commission held a public hearing on March 7, 2012. No written communications were received and no members of the public commented. Dick Swanson, representing the applicant, explained that the zoning line currently runs through cabins that were installed prior to the zoning being established, which was clearly a mistake. The requested zoning would allow the two cabins that will remain long-term to comply with the zoning use rules and have the necessary 50' setback from residential property. The Planning Commission found that the rezoning continues the historic use of the property and allows for maintenance and upgrading of the existing cabins and provides the required 50' setback from residential property; the zoning as established made a mistake by bisecting two cabins, omitting two cabins, and not providing the necessary setback for the existing commercial use; both the tourist guests and the citizens of Grand Marais will benefit from healthy commercial development and improvements to existing commercial properties; a mistake was made on this property and this is not a down zoning. The Planning Commission recommends amending the zoning map to change the subject property to C/I Commercial Industrial by a 4-0 vote.

**Motion by Kennedy, seconded by Lenz to adopt the finding of the Planning Commission and approve the First Reading of Ordinance 2012-03 An Ordinance of the City of Grand Marais, Minnesota, Amending Grand Marais Code, Zoning Ordinance, Chapter 19, Zone Map Amendment. Approved unanimously.**

**Motion by Kennedy, seconded by Lenz to accept David and Tara Parsons request to withdraw their November requests for Rezoning, Conditional Use Permit for Planned Unit Development and the Preliminary Plat for Uptown Grand Marais. Approved unanimously.**

Matt Geretschlaeger and HRH Highway 61 LLC are requesting a zoning map amendment to change their property from R-1 Permanent Residential to R/C Recreational Commercial. The Planning Commission held a public hearing to discuss the proposed map amendment on March 7, 2012. Two written communications were sent to City Hall prior to the meeting. One property owner shared his concern about noise, the property on three sides is zoned residential, recreation can be an intense use, that the rezoning would be done to increase tax revenues, that no mistake was made in the original zoning, and that there is no clear public need for additional recreational zoning because of the large area already zoned recreational and that this property is not the right one to rezone. Another property owner to the South thought that the applicant's request was business centric and residents are treated as a footnote. She has invested a lot in the location, spent tens of thousands of dollars mitigating her septic system due to runoff and doesn't feel as if her needs are respected. A property owner to the North has been concerned about what would eventually be developed on this property, fearing a large residential development with a lot of impacts. He appreciates the low impact and creative nature of the proposed development and recognizes that it may provide a benefit to his mini-golf business. Another property owner to the North shared that the previous owners of the property in question intended to develop condominiums. The recreational development would be much preferred over condos. Water runoff being a problem, this development would impact the wetlands and runoff less than a residential development of this property. An EDA Board member shared that the recreational development of this property would be low impact on land and water, would provide needed jobs and increased tax base to the community and serve as a marketing tool to support the local tourism economy. Other comments included that a Colorado City approved a conditional use for a zip line near residential property and another was concerned that there would be no way to mitigate the noise. The Planning Commission found that Recreational/Commercial zoning is allowed in the zoning ordinance and there are controls included to mitigate potential conflicts with residential uses; the property was annexed in 1993 to allow city utilities to be extended to the Forest Service Property to the West. There has been no evidence that the property would develop in a residential manner since then; the public will benefit from privately owned Recreation/Commercial zoned property; the location and size of this property make it the right property to zone Recreation/Commercial and this is not down zoning. The Planning Commission recommends amending the zoning map to change the subject property to R/C Recreation/Commercial zoning by a 3-0 vote.

The council discussed the concerns presented in the public hearing. Residential uses could occur and create runoff and activity. Recreational/Commercial is only allowed by conditional use and would give the city a lot more control over impacts. A person who was opposed at the Planning Commission hearing is now okay with the rezoning request.

**Motion by Kennedy, seconded by Sivertson to approve the First Reading of Ordinance 2012-03 An Ordinance of the City of Grand Marais, Minnesota, Amending Grand Marais Code, Zoning Ordinance Chapter 19, Zone Map Amendment to rezone a parcel of land from R-1 Permanent Residential to R/C Recreation Commercial.**

**Ayes: Spry, Kennedy, Sivertson**

**Nays: Lenz, Carlson**

**The motion needed a 2/3<sup>rd</sup>s majority to pass. The motion did not pass.**

Lenz is opposed to the rezoning because adjacent property owners purchased their land knowing that the property in question was zoned R-1 Residential and those adjacent property owners are opposed to the rezone request. If the adjacent neighbors change their mind and are not against the rezoning request, Lenz would reconsider his Nay vote. Lenz likes the project and thinks the area is good for the request; however, landowners accepted the risk of R-1 development when they purchased their property and expect it to stay that way.

Carlson is opposed to the rezoning because he does not feel that a zipline is keeping with the Grand Marais image, businesses are already importing foreign workers to fill seasonal jobs, housing is expensive and he is concerned about the tower height of the zipline. The city does not allow any buildings 60 feet tall and he has received negative feedback from the community.

Matt Geretschlaeger explained that he has offered to develop a 100 foot setback, is willing to negotiate sound abatement, is working with the neighbors to develop an extremely passive development. Some trees would be cut, but not graded so there should not be additional runoff. The tower site is already 23 feet below the highway elevation and there are trees 50 feet tall around the area. The tower would not be entirely visible from the highway. He has received positive support from the community indicating that many people would like to enhance their recreational experience with a zipline. Also, Gunflint Lodge is developing 8 ziplines on their property.

Bob Carter, representing the buyer and seller of the property, has heard positive comments about the development and thinks it would benefit the entire community.

City Administrator Roth explained that uses for Recreation/Commercial are limited. The only activities allowed without a conditional use permit are private/public recreation areas. Any other recreational uses will need a conditional use permit. There are protections for most uses in Recreation/Commercial that we don't have with R-1 Residential.

**Motion by Kennedy, seconded by Spry to extend the 60-day period for the rezoning request from R-1 Residential to R/C Recreation/Commercial so additional conversations can be made with adjacent owners and that this request may be reconsidered. Approved unanimously.**

City Administrator Roth presented a proposed ordinance to allow the city to consider planned unit developments in unincorporated areas outside the city limits within the city's territorial jurisdiction.

**Motion by Lenz, seconded by Spry to approve the First Reading of Ordinance 2012-04 An Ordinance of the City of Grand Marais, Minnesota, Amending Grand Marais Code, Chapter 62, Subdivisions.**

**Ayes: Spry, Lenz, Sivertson, Carlson**

**Nay: Kennedy**

Kennedy is opposed to the proposed ordinance because the county has been unwilling to cooperate in the process.

**Motion by Kennedy, seconded by Lenz to appoint Hal Greenwood to the Planning Commission. Approved unanimously.**

**Motion by Lenz, seconded by Spry to hire Travis Wickwire for the position of Parks Facilities Manager. Approved unanimously.**

Councilor Lenz' Report:

- 1) The Park Board has received preliminary costs from several local contractors for materials & construction of the Community Connection. Next month the Park Board will try to agree on the materials. Once the materials are selected the Park Board will ask for firm bids. Plantings, benches, fire ring, pedestrian bridge, signs and containers have not been addressed. Construction probably will not begin until fall and we are confident that all components and costs will be finalized within the next few months.

Councilor Kennedy's Report:

- 1) The Public Utilities Commission has tentatively scheduled a Joint PUC/City meeting on April 11 at 2:00 p.m. to talk about potential district heating projects. A specialist will be coming to talk about the project and how it might impact the city.

There being no further business, the meeting adjourned at 5:45 p.m.