

## CITY PLAN COMMISSION

Wednesday, April 3, 2019

A meeting of the City Plan Commission was called to order at 6:01 p.m. by Acting Chairperson Dennis Statz in the Council Chambers, City Hall, 421 Michigan Street.

**Roll Call:** Members Dennis Statz, Laurel Hauser, Jeff Norland, and Mike Gilson were present. Excused: Member Steven Hurley. Also present were Alderpersons Kelly Avenson and David Hayes, Community Development Director Marty Olejniczak, Planner/Zoning Administrator Chris Sullivan-Robinson, and Community Development Secretary Cheryl Nault.

**Adoption of the Agenda:** Moved by Ms. Hauser, seconded by Mr. Norland to adopt the following agenda:

1. Roll call.
2. Adoption of agenda.
3. Approval of minutes from February 20, 2019.
4. Combined Preliminary/Final Planned Unit Development for Aaron Hilpipre, for property located at 709 Jefferson Street:  
Presentation  
Public Hearing  
Consideration of
5. Conditional use request from Wisconsin Public Service for a gas regulator station, located at 1843 Michigan Street.  
Presentation  
Public hearing  
Consideration of
6. Consideration of: Tourist Rooming House Code text amendment.
7. Public comment on non-agenda Plan Commission related items.
8. Adjourn

Carried.

**Approval of minutes from February 20, 2019:** Moved by Ms. Hauser, seconded by Mr. Norland to approve the minutes from February 20, 2019. All ayes. Carried.

**Combined Preliminary/Final Planned Unit Development for Aaron Hilpipre, for property located at 709 Jefferson Street:**

**Presentation:** Aaron Hilpipre, 1211 Fox River Dr., DePere, WI, stated that he owns the property on the corner of Jefferson Street and 7<sup>th</sup> Avenue. There are four apartments. The ground floor of the main building is vacant. At one time it was two apartments and the previous owner used the ground floor as storefront. It was recommended to him to have everything changed over to residential. There are a total of 6 units. It was suggested to apply for a planned unit development.

Mr. Sullivan-Robinson stated that a conceptual review was held at a previous meeting. There are two buildings on the property. As Mr. Hilpipre stated, the first building has two upper residential units and commercial space on the lower level. The second building, located at the northeast corner of the property, contains two single residential units. He would like to convert the commercial space into two more single residential units. Under normal zoning, they could do multifamily, but would he not be able to meet the density standards of the code, which is the reason for going through this process. According to the Comprehensive Plan, this property is

meant to be transitional commercial in the future. It allows for a mix of commercial, residential and multifamily. The access is off of 7<sup>th</sup> Avenue with a shared driveway and some parking. Under the normal zoning code, 3500 square feet per unit is needed on a lot for multi-family use. The lot is 11,000 square feet. Thus, only three units would be allowed. The parking lot contains eight parking stalls. Under the code, nine stalls would be needed. The shared driveway has no agreement with the neighbor. There are options with parking, such as making a payment in lieu of or to obtain an agreement with the neighbor. There will be no increase in traffic by this change of use. There will be no change in building design. At the last meeting, the Plan Commission members wanted to make sure that all of the units would not be turned into a short-term use. According to the City Attorney, the state code does not allow the City to create this kind of restriction under an ordinance.

Mr. Olejniczak added that it would be inappropriate to include a restriction greater than the state statute in the ordinance if the PUD was approved by ordinance.

Mr. Sullivan-Robinson added, given the history of the use of the property, that staff is not opposed to the density allowance under the proposed project. Staff recommends approval of the PUD, subject to the following parameters:

1. The underlying zoning to remain C-5.
2. The additional off-street parking space shall be met via either written agreement from the adjoining property for collective (shared) parking area or a payment in lieu of providing the final space shall be made. No additional off-street spaces shall be created without approval of the Plan Commission.

Mr. Hilpipre stated that he goes through a marketing company for his rentals and hires a local person for cleaning. His long-term rentals range from \$485 - \$565 per month. There are currently 8 parking stalls that are 9.5 feet wide. He wondered about putting up a fence for the shared driveway. There is a double-wide curb cut and half is on his property and half on the neighbors. He has not had a conversation with the neighbor about the possibility of an agreement.

Mr. Olejniczak stated that the one-time payment in lieu of fee is set by the Parking & Traffic Committee and can range anywhere from \$100 to \$1000.

Mr. Hilpipre stated that three of the units would be short-term rental and eventually three long-term rentals.

**Public Hearing:** Mr. Statz opened the public hearing at 6:19 p.m.

Aldersperson Kelly Avenson, 46 E Pine St., asked for clarification regarding the state statute if the City can restrict rentals up to seven days for half the year. Mr. Olejniczak responded that they can be restricted.

Terry Ullmann, 1920 Cty U, wondered if there is overnight parking on Jefferson Street. Mr. Olejniczak responded that there are no restrictions in that area except during the winter.

John Hermansen, 948 Memorial Drive, asked if half of the property can be under the 7 day restriction. Mr. Sullivan-Robinson responded that is possible.

Mr. Hilpipre read a very positive review that was received from someone that stayed in one of the units.

There was no correspondence in favor or against the PUD request.

Mr. Statz closed the public hearing at 6:35 p.m.

**Consideration of:** Mr. Olejniczak added that Mr. Hilpipre would need a license for any rentals less than 30 days. Under the state statute, the City can restrict the rental period to at least 7 days and can also restrict the amount of days he is renting it for short-term to no more than 180 consecutive days in a one year period. That restriction can be placed on some of the units, all of the units, or none of the units. In this case, a new ordinance is being created for this parcel, so zoning rules can be created for what is appropriate.

Mr. Gilson does not agree with the 7 day restriction. It makes no sense for Mr. Hilpipre to have short-term rentals if there is a 7 day restriction. Especially in fall, travelers come for weekends. Long-term rentals help with the low income housing.

Ms. Hauser doesn't like having a separate set of rules for this than all the others. She thought 3 of the units could have the 7 day restriction and 3 short-term rentals.

Ms. Hauser moved to approve the combined preliminary/final PUD request based on the 7 day state statute restriction on three of the units and staff's recommendation.

Mr. Olejniczak reminded the Commission that prior to making a motion, a motion must be made to act on the request at this meeting.

Mr. Norland agreed with Mr. Gilson. This would be the place for short-term rentals. He didn't feel that short-term rentals are part of this discussion, since the Commission was voting on a PUD. He was curious why the owner hasn't made an effort on contacting the neighboring property owner and have a written agreement regarding the shared driveway.

Moved by Ms. Hauser, seconded by Mr. Gilson to act on this request at this meeting.

Moved by Ms. Hauser, seconded by Mr. Statz to recommend to Council to approve the preliminary/final PUD for Aaron Hilpipre, with the restriction that 3 of the units be subject to the 7 day state statute restriction and that the staff recommendations be met.

Mr. Norland still sees no reason for restricting one property.

A vote was taken on the motion. All ayes. Carried.

**Conditional use request from Wisconsin Public Service for a gas regulator station, located at 1843 Michigan Street:**

**Presentation:** WPS representatives Lynn Kroll, Jerry Peot, and Lucas Oshefsky presented a powerpoint presentation regarding construction of a proposed gas regulator station to be located at 1843 Michigan Street.

Ms. Kroll stated that WPS is reaching capacity at their present location and would like to add a back-up feed to the existing system, since there is only one feed to the east side. The gas regulator station is a secondary regulating facility that would reduce the pressure to 60 pounds per square inch to serve homes and businesses.

Ms. Kroll stated that discussions were held in 2017 regarding location options. They applied with different sites, such as the east and west Chaudoir sites on 18<sup>th</sup> Avenue and north and south hospital sites. The proposed site was chosen by the Public Service Commission due to the location of the connection point on Michigan Street. The building would match the surgery center. The building will have 8' sidewalls and a 2/12 pitch. The anticipated project construction will begin spring/summer of 2019. Installation of a 6-foot green fence is their preference for security and safety of equipment. The fence will be located 2 feet off the property line. The equipment would be less noisy than traffic.

Mr. Oshefsky mentioned that the Maple Ridge apartment owner granted a temporary construction easement. There is a verbal and written agreement with the hospital.

Mr. Sullivan-Robinson explained that this is a conditional use request and is their final destination. The property is located on the southwest corner of the hospital property. The 17' x 12' metal structure will be constructed in a 56' x 57' fenced in area. Their first option, which was the Chaudoir property, was not well accepted by the community and City staff. Of the four sites, staff supported this site, although the building did not meet the required setbacks.

Ms. Kroll stated that the Zoning Board of Appeals denied their request for a variance. They will ask the ZBA for reconsideration after changing the design.

**Public hearing:** Mr. Statz opened the public hearing at 6:57 p.m.

Mr. Sullivan-Robinson stated their lack of hardship was the ability to meet code. The ZBA also had safety concerns, as well as concern of property values being affected. Staff supported the project and thought that this site was the best option and that it was the least impactful to the community. Staff recommend approval of the project, subject to:

1. Obtaining the rear yard variance or otherwise complying with the yard requirement, including relocating the building northerly if necessary.
2. There should be vegetation screening on four sides of the site.

Alderman David Hayes, 111 S 7<sup>th</sup> Avenue, was concerned of plowing snow at the fence line.

There was no correspondence in favor or against the proposed conditional use.

Mr. Statz closed the public hearing at 7:02 p.m.

**Consideration of:** Mr. Norland wondered if there were any concerns of traffic accidents. Mr. Peot responded 6-8 foot bollards placed inside the fence is a requirement:

Ms. Hauser thought that the building should have a flatter roof to mimic the hospital roof. That could be recommended to the Aesthetic Design & Site Plan Review Board.

After further discussion, it was moved by Mr. Gilson, seconded by Ms. Hauser to approve the conditional use request, subject to staff's recommendations as stated earlier.

Ms. Hauser amended the motion, seconded by Mr. Statz to design the building to look like it goes with the hospital.

A vote was taken on the amended motion. All ayes. Carried. A vote was then taken on the original motion as amended. All ayes. Carried.

**Consideration of: Tourist Rooming House Code text amendment:** Mr. Sullivan-Robinson stated that this has been an ongoing discussion. There was no consensus where to go with this. The regulations increased on short term rentals.

Mr. Olejniczak stated that if the proposed ordinance is adopted, it would apply city-wide. The City has the authority to restrict short-term rentals to a 7 day minimum stay. The City can also restrict short-term rental periods to 180 days within a year.

Jennifer Bacon, 728 Georgia Street, stated she manages STRs and has a cleaning company. There is no data to back up anything. A group has been formed that wants to be part of the solution. They want to know about complaints received. You can't dictate when you can be open.

Elaine Carmichael, 4089 Snake Island Road stated that she has a short-term rental, as well as property in the City that might become a short-term rental. Just because you can change something doesn't mean you should.

Lane Kendig, 4089 Snake Island Road and 26 W Pine Street, attended the meeting because of affordable housing. The City needs to focus on affordable housing and how to make those units affordable. He would like to meet with staff or come to another meeting. Short-term rentals are not a solution to affordable housing.

Jan Mills, 714 N 5<sup>th</sup> Avenue, stated that this is the new wave as far as putting Sturgeon Bay on the map.

Terry Ullman, 1902 County U, stated that he has expanded his business on 3<sup>rd</sup> Avenue with apartments above. It is benefiting his candy store and owners have come to him purchasing candy to put in their rooms. Door County is a seasonal gig. We need to change with the times. It is good for business and should not be changed.

Alderperson Kelly Avenson, 46 E Pine Street, said that she owns two short-term rentals and manages others. She doesn't want to be part of the problem either. This isn't the only issue causing a housing shortage. Minimum wage has not increased. Have we exhausted all options before limiting things?

Phil Rockwell, 368 N 3<sup>rd</sup> Avenue, owns a one bedroom AirBnB, Door County Traders, and an 8-plex on 4<sup>th</sup> Avenue with his mother. It is difficult to think that you can't do business in your own town. He thinks that AirBnB's will self-regulate. Options need to be looked at. It could be looked at yearly.

Cheryl Link, 942 N. Duluth Avenue, stated that she comes to Sturgeon Bay from Colorado every 2-6 months. Her property is too small for a permanent residence. It has been rented almost constantly since December 23<sup>rd</sup>. If limited she would have to sell her house. Most of her rentals are 3, 4, or 5 nights. She grew up in Sturgeon Bay. She asked to think about the restrictions.

Liz Merner and David Wilkins, 3120 Stevenson Pier Road, Sturgeon Bay, are motel owners in Little Sturgeon. They are not against STR's. But, if you want to run like a hotel, they need to get the same inspections as they do.

Mr. Olejniczak stated that in Wisconsin you can regulate and require additional inspections.

John Hermansen, 948 Memorial Drive, stated that in Madison the owner needs to live in the residence or have someone take on the roll. A responsible party has to be within a reasonable distance.

Commission members added their thoughts. Ms. Hauser suggested to look into what other communities in Wisconsin do.

Mr. Norland would like to know the differences in the regulations.

Ms. Hauser thought a chart of regulations would be helpful for STR's vs. hotels.

Mr. Statz stated we will continue to gather more information.

**Public comment on non-agenda Plan Commission related items:** Mr. Olejniczak thanked Mr. Hurley for serving on the Commission. He has moved out of the City and is no longer able to remain on the Commission.

**Adjourn:** Moved by Mr. Gilson, seconded by Mr. Norland to adjourn. All ayes. Carried. Meeting adjourned at 8:26 p.m.

Respectfully Submitted,



Cheryl Nault  
Community Development/Building Inspection Secretary